



The Department of

Business Economics & Public Policy

Jeff Prince

CHAIR OF THE DEPARTMENT OF BUSINESS
ECONOMICS & PUBLIC POLICY

Dear BEPP Community,

I am thrilled to write to you as part of our inaugural, annual department newsletter!

The BEPP department consists of high-caliber economists working within a top business school. As such, our primary purpose is to bring the rigor and critical thinking inherent in economic modeling and econometric analysis to important business questions and challenges. Recognizing our role, the purpose of this newsletter is to highlight how BEPP faculty, students, and alumni have served this purpose over the past year.

In what follows, you'll find: an in-depth look at select faculty, a detailed discussion of one of our most popular courses (Game Theory), summaries of BEPP faculty activities and research in the news, BEPP program highlights, BEPP Club activities and engagements, and several updates from – and spotlights on – BEPP alums.

Of course, there is much more to BEPP than what we can summarize in a newsletter. So, if you haven't already, please join the hundreds of BEPP friends who now follow us on Facebook (<https://www.facebook.com/KelleyBEPP/>), and if you're a BEPP alum, please join our LinkedIn group (<https://www.linkedin.com/groups/4347267>) to not only learn about the department but also stay connected with fellow BEPP grads.

To conclude this note, I'd like to leave you with an important message I suspect I'll be revisiting in newsletters to come. The ongoing explosion of information, and ways of processing it, have been a cause for much exuberance and newfound "insights" in the business world and beyond. However, such insights mean little if one does not understand or apply the necessary critical thinking and reasoning that can validate them. Commitment to critical thinking and reasoning skills – particularly in the context of economics – is a crucial tie that binds the BEPP community together. Our continued and steadfast application of these skills, as both generators and critics of new insights, can make important differences for vital decisions across many fields.

Please enjoy this inaugural newsletter, and as friends of BEPP, please don't hesitate to stay in touch and stop by any time you're back in B-town – we'd love to see you!

Sincerely,

Jeff Prince

Harold A. Poling Chair in Strategic Management



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New Faculty



Aaron Kolb

A Midwesterner, Aaron Kolb grew up in Cincinnati, Ohio, then attended Yale University in New Haven, Connecticut. After graduation, Kolb moved to Boston for several years where he worked in finance during the heart of the financial crisis, a time that was difficult in a lot of ways.

“Though I was fortunate enough to be part of a core unit and keep my job, my firm had several rounds of layoffs, which drastically cut our numbers and hurt morale,” recalls Kolb. “At the same time, business was slow so there was not the usual Wall Street excitement that people often imagine, and there were fewer opportunities for career advancement.”

Kolb received his Ph.D. in economics from Duke University.

“My research specialty is microeconomic theory, particularly dynamic games with private information and learning, with various applications including industrial organization and political economy,” says Kolb. “I hope to publish new and exciting research at Indiana University.”

Since joining the IU faculty, Kolb, who teaches a graduate class on economic modeling and an undergraduate game theory class, has been impressed by the collaborative atmosphere in Kelley’s BEPP group.

“Even senior faculty are eager to interact and offer helpful feedback to rookies,” notes Kolb. “I’ve also been impressed by the motivation and focus of the students, which makes teaching a rewarding experience.”

Although research, teaching, and family responsibilities fill up his days, in his free time Kolb enjoys barbecuing, playing board games, and running through the neighborhoods and trails of Bloomington.

“My go-to method of cardio is a rowing machine in my basement, a-la Frank Underwood, for those who are familiar with *House of Cards*,” says Kolb.



Boyoung Seo

Boyoung Seo grew up in Seoul, Korea, and received her Bachelor’s degree in Business Administration and Economics at Yonsei University in Seoul. Following graduation, Seo attended graduate school at Yonsei University to pursue a Master’s degree in economics. She earned her Ph.D. in economics at the

University of Minnesota in Minneapolis.

The major theme of Seo’s research is empirical industrial organization and econometrics. “I apply structural estimation in various industries to evaluate government policies,” says Seo, who teaches Undergraduate Data Analysis Using Economic Modeling and Graduate Econometric Methods in Business II.

An adventurer at heart, Seo loves to explore new territories by foot. So far, she’s traveled to 45 countries. Last June, as a gift to herself for completing her Ph.D., Seo hiked the John Muir Trail, a long-distance trail in the Sierra Nevada mountain range, walking solo, 220 miles in 17 days. Despite the threat of bears, snow storms, river rapids, and steep snow chutes, Seo describes the experience as liberating.

“My favorite thing was setting up my tiny tent each night and sipping hot tea as I jotted down reflections from the day’s events in my journal,” says Seo. “Even during nighttime thunder snowstorms, it felt so peaceful and calm.”

Indiana University offers its own sense of serenity for Seo, who is thrilled to be working in such a supportive and nurturing atmosphere.

“IU is the perfect place to grow inspiration, gain knowledge, and produce high-quality research,” says Seo.

Faculty Spotlight: Andreas Hauskrecht

Clinical Professor of Business Economics & Public Policy

by Christy Heitger-Ewing

Andreas Hauskrecht joined Kelley's BEPP department in August 2001. Before coming to Kelley, Hauskrecht was an assistant professor for monetary economics at Freie Universität Berlin. From 1994 to 2013, he was also the director of a financial sector development program for GIZ, the German development agency for Vietnam. There he worked with the central bank, the Ministry of Finance, commercial banks, and the development of the stock exchange.

Hauskrecht has also worked as an economic adviser for several Prime Ministers of Vietnam, Governors of the central bank, and central bank adviser for Laos, Bolivia, Ecuador, Bosnia-Herzegovina, and Moldova.

At Kelley, Hauskrecht teaches undergraduates Money, Banking & Capital Markets and Public Policy and International Economics. He also teaches specialized elective courses for the graduate program such as international macroeconomics, monetary economics and central banking, and foreign exchange risk management.

"Being a professor for Monetary Economics gives me a unique opportunity as a scholar. I work with young talents doing meaningful research on matters that affect everyone in society," says Hauskrecht. "At the same time, I can reach out to a wider audience through press, radio, and television."

Hauskrecht is a macroeconomist whose research focuses on asset

pricing, currency substitution, monetary and international economics, specifically financial crisis such as the Euro Debt Crisis. Having taught courses and given lectures at universities in Germany, Bulgaria, Croatia, Italy, Vietnam, Laos, and Thailand, Hauskrecht currently teaches a program for Kelley MBA students called GLOBASE where Hauskrecht



identifies smaller private Vietnamese enterprises with a positive social impact. Teams of first-year MBA students are formed. Second-year MBA students lead the experience, providing consulting services for the Vietnamese enterprises.

"Over several months, the student teams work with the Vietnamese customer," explains Hauskrecht. "Then in the spring, a colleague and I travel to Vietnam with the students to work directly with the customer." Hauskrecht is the co-director and

chief economist of a think tank called V-idea, which is a Vietnam initiative for development and economic analysis. The think tank comprises 55 top economists from institutions like Harvard, Chicago, Yale, IU, World Bank, and the IMF. Harbored at IU, the think tank provides educational services for Vietnamese government officials. Ten senior government officials, who are on the verge of being promoted to deputy minister rank, spend up to three months at the Kelley School of Business and Harvard University, conducting meetings with government officials in Washington, D.C. In addition, 20-30 junior government officials complete a two-year Master's program at the School of Environmental and Public Affairs at Indiana University.

"The think tank provides research output directly for the Vietnamese government and the academic community inside and outside of Vietnam," says Hauskrecht, who, as a co-director of V-idea, consults directly with the Prime Minister of Vietnam, the central bank, and the ministry of finance.

Through the years, Hauskrecht has been awarded a number of teaching accolades, including the Indiana University Trustees Teaching Award (2007), the Most Memorable Professor Award (2007 & 2009), and the MBA Teaching Excellence Award (2014 & 2016).

"The MBA Teaching Excellence Award means the most to me as it's entirely based on students' responses," says Hauskrecht, whose wife, Mazinha, is

BEPP Faculty in the News

In recent months, BEPP student research on health care is getting widespread attention. In January 2017, BEPP doctoral student, Aparna Soni, and IU SPEA faculty member, Kosali Simon, commented

in Science Daily that low-income childless adults have benefited in numerous ways from the Medicaid expansions. They determined that this population is 17 percent more likely to have health insurance, 7 percent more likely to have a personal doctor, and 11 percent less likely to report that cost was a barrier to their health care. In addition, Soni and Simon noted that low-income childless adults' self-assessed health also improved, and they reported fewer days of poor health or restricted activities. (<https://www.sciencedaily.com/releases/2017/01/170126095908>)

In December 2016, Ellie Mafi-Kreft, clinical assistant professor of BEPP, was quoted in a USA Today article on jumping mortgage rates, saying, "Prime rates have gone up, especially on variable-rate mortgages, and that's why refinancing has gone down." (<https://www.usatoday.com/story/money/2016/12/08/mortgages-interest-rates/95138730/>)

In addition, regarding economic outlook, Mafi-Kreft was one of four panelists who presented at the 2016 IU Economic Outlook at IPFW's alumni center to discuss economic outlook. In the Journal Gazette, Mafi-

Kreft mentions that more corporate investment in new equipment and worker training would increase production, which would boost economic growth; nevertheless, uncertainty looms.



photo courtesy of nwi.com

"We'll just have to wait and see what changes Trump's administration makes and how they affect the economy," she said. (<http://www.journalgazette.net/news/local/IU-economic-panel-foresees-growth-but-some-uncertainty-16394707>)

While meeting with other IU economists to discuss the continuation of slow growth in the economy, Mafi-Kreft noted that negative feelings about the economy internationally are probably too gloomy and that the international economy should grow. "Pessimism seems to be overshooting reality," said Mafi-Kreft in a *NW Times* article. (http://www.nwitimes.com/business/local/iu-economists-say-slow-growth-to-continue/article_1ee8af3d-95a8-5391-aa4b-09fbb0568448.html)

In an Inside Indiana Business article, IUPUI BEPP faculty member Kyle Anderson notes a challenging trend in the state. He says that urban economies, like the Indianapolis-Carmel metropolitan area, see growth while rural economies continue to struggle. (<http://www.insideindianabusiness.com/story/33620974/iu-kelley-presents-somber-forecast>)

currently a Ph.D. student in Portuguese literature and African culture. They are raising two daughters. Luiza (18) just finished her second year at USC studying economics, and Thais (16) is about to start her junior year of high school. The family owns a German Shepard named Camous and a cat named Beethoven.

A competitive triathlete, Hauskrecht logs miles training for marathons and half-Ironman competitions. When he's not teaching, writing, or exercising, Hauskrecht likes to relax by cooking and drinking good wine. He also appreciates Bloomington's many learning opportunities.

"I enjoy the Jacob School of Music, the sport environment, the IU outdoor pool, all the trails for running, and the unique cycling environment," says Hauskrecht. A bittersweet memory that has left an indelible mark is when he acted as undergraduate adviser during the Great Recession.

"It was heartbreaking seeing students struggling to secure a job offer, or who were fired before they had even started their first job," recalls Hauskrecht. But through it all, he witnessed faculty rally as they called colleagues and contacts all around the world to help line up jobs for their students.



Faculty Spotlight: Michael Baye

Professor of Business Economics & Public Policy

by Christy Heitger-Ewing

Prior to joining the faculty at Indiana University in 1997, Mike Baye was an assistant professor at the University of Kentucky, an assistant and associate professor at Texas A&M University, and an associate and full professor at Penn State University. He has served as an editor of numerous journals in economics and marketing, and in 2007 and 2008 he served as the Director of the Bureau of Economics at the Federal Trade Commission.

Best known for his foundational work on two-sided platform markets, his work on auctions, and on how the Internet and e-commerce have impacted retail competition, Baye has taught Managerial Economics in the MBA and AMBA programs, as well as at the undergraduate level. He's taught Industrial Organization at the undergraduate and Ph.D. levels. In addition, after returning to Indiana University from the Federal Trade Commission, he developed a capstone course for BEPP seniors designed to simulate the work environment at an economic consulting firm or other business that employs economists. Through the consulting engagements that make up this course, students learn to manage the sorts of problems, challenges, and ambiguities that successful employees must deal with on a daily basis. They also learn to conduct, and communicate the results of, independent economic research in a simulated workplace environment.

"This highly interactive and hands-on capstone course is designed to polish the economic consulting skills of students interested in microeconomics-based consulting—for example, antitrust, regulation, pricing, and policy," says Baye.

Consulting issues are approached from the vantage point of employers and clients that include the government (e.g., Federal



Trade Commission, Federal Communications Commission, and Department of Justice), major economic consulting firms (such as NERA, COMPASS-LEXECON, and CRA), and individual firms (such as P&G, Kraft Heinz, Amazon, and Google).

"In addition to strong analytical and quantitative skills, a successful consultant must demonstrate a professional attitude, good judgment, the ability to work as part of a larger team, and the ability to produce high-quality work under significant

time constraints and pressure with little or no supervision," explains Baye. "A good economic consultant asks the right questions, is capable of providing quantitative answers, and effectively communicates both quantitative and qualitative findings."

A three-time recipient of Kelley School of Business Outstanding Researcher Award, three-time recipient of Kelley School of Business Teaching Excellence Award, as well as the John S. Day Distinguished Alumni Academic Service Award, Baye has made significant contributions to BEPP literature, including dozens of books and research papers. He finds teaching so rewarding because he enjoys helping students realize that they have the skills and intellectual maturity needed to solve real-world problems without any hand-holding whatsoever.

"I enjoy seeing students transition from responding to an open-ended engagement with a 'deer caught in the headlights' expression to responding like seasoned employees," says Baye, who appreciates the uplifting emails he often receives a year or two after students graduate. "It seems that seeing the benefits of the way I run the course is not fully appreciated until well after it's completed!" says Baye, a native of Texas who went on to become an all-state linebacker in football and a state discus champion in track. Married for the past 40 years to his high school sweetheart, M'Lissa, the couple have two children, Natalie and Mitchell. Though the kids were

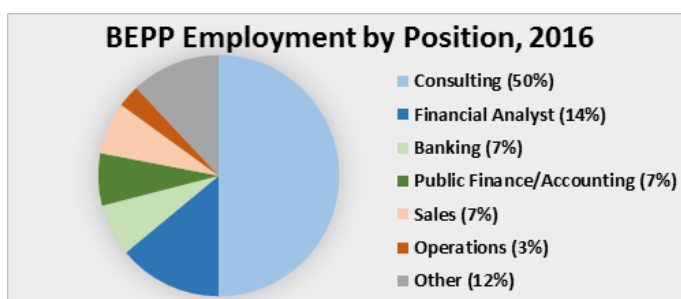
Program Highlights

The Kelley School Undergraduate Program and BEPP Continue Their Highly Ranked Reputations

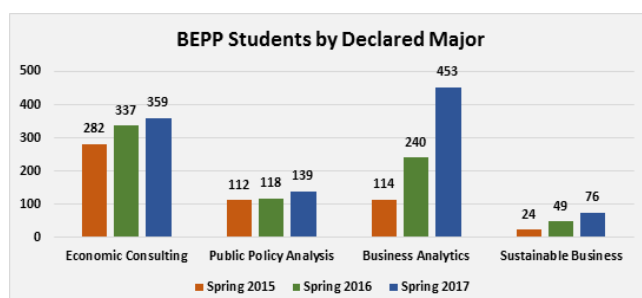
U.S. News & World Report Best Colleges 2017 ranks the Kelley Undergraduate Program #9 Overall; Poets & Quants' Best Undergraduate Business Programs of 2016 ranks Kelley #7 and #1 public university; and Bloomberg Businessweek 2016 Best Undergraduate Business Programs ranks Kelley #4 overall and #1 public university.

Recent investments in facility expansion and renovation, including the new Prebys Career Services Center to be completed in December 2017, as well as the Undergraduate Program's emphasis on talent management, global business strategy, quantitative analysis, and critical thinking, are factors that will contribute to its continued success in producing world-class business professionals.

Within the top-ranked Undergraduate Program, BEPP majors are among the most sought after Kelley graduates. In 2016, BEPP majors had the highest average starting salary coming out of Kelley at \$65,100, with an average signing bonus of \$5,500. In 2016, 50% of BEPP majors found employment in the consulting industry, with another 14% in Financial Analyst positions.



The strong market valuation of BEPP skills has made our majors (Economic Consulting and Public Policy Analysis) as well as our co-majors (Business Analytics and Sustainable Business) grow in popularity within the Kelley Undergraduate Program. The fastest growth has been generated from our Business Analytics co-major, which currently has over 450 declared majors as of Spring 2017.



just 10 and 6 when the family first arrived in Bloomington, they are now grown and flown. Natalie works in Chicago and Mitchell in Dallas. When he and M'Lissa are not visiting their children, Baye enjoys golfing, camping, and cooking. He also relishes the diversity that IU offers.

"I appreciate the world-class programs in Music, Business, and the Arts and Sciences," says Baye, whose greatest joy since arriving in Bloomington has been helping students understand that many well-intentioned economic policies often have adverse, unintended consequences, and harm the very people they are designed to benefit.

Baye, whose greatest challenge in the field has been navigating policy inside the beltway while serving as the Director of the Bureau of Economics at the Federal Trade Commission, credits his professional accomplishments to two specific people. One was his seventh-grade science teacher and the other an economics professor he had during his sophomore year in college.

"There's no telling where I would be or what I would be doing had it not been for the unselfish time and effort these two individuals spent nurturing me," says Baye.



Course Spotlight

Game Theory for Business Strategy



by Christy Heitger-Ewing

For the past ten years, Rick Harbaugh, associate professor of BEPP, has taught G570: Game Theory for Business Strategy to both undergraduate and MBA students (the 7-week MBA version is a condensed version of the class).

Game Theory is a standard tool of economics,

management strategy, and a wide range of other disciplines. Managerial decisions are not static and cannot be made in isolation. Instead, a manager must account for the expected actions and reactions of rival firms, subordinates, and superiors. Game theory is a tool to examine these interactions.

"The aim of the course is to strengthen students' ability to think strategically in business situations by using the tools of game theory," says Harbaugh, who also teaches Managerial Economics, Chinese Economy, and Internet Economics. "To achieve this aim, we concentrate on key concepts that have a wide variety of applications."

Harbaugh notes that all major Internet web companies have hired chief economists, many of whom are prominent game theorists. Consider Microsoft's Susan Athey and Google's Hal Varian.

"It's become such an important part of business strategy now because of the changing economics of the digital economy," says Harbaugh.

Information economics, Harbaugh's area of research, is how asymmetric information leads to behavior that at first seems irrational but can be understood due to the different pieces of information to which people have access. Harbaugh says that the students get really creative when asked to design their own game theory models. By course completion, students will be able to apply these skills to their professional lives—especially as it relates to pricing strategies.

Indiana University has an incredible tradition of game theory as former faculty members John Muth and Elinor Ostrom have made significant contributions to the field. Ostrom, an American economist who emphasized social dilemmas, was the only woman to ever win the Nobel Prize in Economic Sciences.

Muth, one of the most famous economists of the 20th century, also taught at IU in the early 1960s. The theory of rational expectations was first proposed by Muth, who used the term to describe the many economic situations in which the outcome depends partly on people's expectations.

"He defined what it means to be rational," says Harbaugh. "Game theory, in large part, is based on Muth's insights."

Though Harbaugh says that most people think that game theory is a zero-sum situation, the truth is that it's better when both sides cooperate.

"The overarching theme of the class is, 'How do you encourage successful cooperation in a competitive world?'" says Harbaugh.

John Nash, one of the founders of game theory, was a famous mathematician. Harbaugh notes that though math is an integral part of game theory, the whole idea of game theory is that people are acting in a way that is consistent in maximizing their interests. Therefore, any game theory problem should be understandable not just through math but also through intuition.

"In class, I'm not happy if students only understand one aspect and not the other," says Harbaugh. "I try to get through to them the intuition of it."

Harbaugh hopes that students will take away from the course not only the ability to think strategically but to also think through a situation and anticipate what other people are likely to do, then choose the best decision with that expectation in mind.

"Overall behavior in an environment can be understood from a game theory perspective," says Harbaugh. "How behavior in a group evolves over time is a big part of what we study in class."

Don't Blame Airline Mergers For Your Lost Luggage

Press Release

BLOOMINGTON, Ind. — It's often said that airline mergers lead to more headaches for travelers, including more flight delays, late arrivals, and missed connections. But an analysis of 15 years of U.S. Department of Transportation statistics found that airline consolidation has had little negative impact on on-time performance.

In fact, two Indiana University researchers found evidence that mergers lead to long-term improvements, likely due to improved efficiencies. The research is forthcoming in the *Journal of Industrial Economics*.

The authors of the study are Jeffrey T. Prince, chairperson and professor of business economics and the Harold A. Poling Chair of Strategic Management in the IU Kelley School of Business; and Daniel H. Simon, associate professor in the IU School of Public and Environmental Affairs.

Their paper is among the first to look at quality responses to airline mergers, and is one of just a few papers which analyze quality responses to mergers of any kind. Prior research has mainly focused on the price effects of mergers.

"While we find some limited evidence of on-time performance worsening in the two years immediately following a merger, we find no evidence of on-time performance worsening in the long run," Prince and Simon wrote. "In many cases, we find evidence that on-time performance improves in the long run, and suggestive evidence that it is most pronounced on routes where both merging airlines operated pre-merger."

The IU professors analyzed on-time performance for five major airline mergers since 2000, including American Airlines' acquisition of Trans World Airlines in 2001; America West's acquisition of U.S. Airways in 2005; Delta Airlines' merger with Northwest Airlines in 2008; United Airlines' merger with Continental Airlines in 2010; and Southwest Airlines' acquisition of Airtran Airways in 2011.

Prince and Simon used three years of data prior to each merger and then up to five years of data afterward. To create a control group, they looked at on-time performance for the merging carriers' rivals, which enabled them to better identify the impact of mergers on airline service quality. Due to the immense size of their

dataset, they focused on activity on three days of each month — the 10th, the 15th and 20th.

"While travel time is little changed in the first two years following a merger, it falls by about one to two minutes (1 percent) in the following three to five years," they wrote. "None of the results provide any evidence for the conventional wisdom that mergers worsen on-time performance."

"Further analysis reveals that we find the biggest improvement in on-time performance in the long-run, post-merger period on some of the routes where we would expect merger effects to be most pronounced — routes that both carriers served prior to merging," they said. "These routes offer the greatest opportunities for efficiencies, including consolidation of operations on the ground and in the air, and the internalization of congestion externalities."

Their study found no evidence that rival air carriers' on-time performance was negatively affected by the presence of an airline that had recently merged, while providing some tentative evidence that improvements in efficiency at merged airlines may also be largely matched by competitors on routes that both merging carriers served before merging.

While the primary focus of the research was mergers and on-time performance, the researchers did look at other measures of quality, such as flight cancellations, baggage handling and customer complaints. They found:

- No evidence that merging carriers increase (or reduce) cancellations after the merger
- No evidence that merging airlines reduce (or increase) the number of flights
- In the short run, lost and mishandled baggage did increase after mergers, but then returned to levels reported prior to the consolidation
- Customer complaints increased significantly in the short run, but again dropped to pre-merger levels

Critics and regulators have questioned whether consolidating operations affect service and if the merged airline exploits its market power by reducing its investments in quality.

continued, press release

"In this case, however, the larger combined pool of resources may provide flexibility that enhances service quality," said Prince and Simon. "More available ground crews and gate agents, more landing spots and larger numbers of planes at an airport can provide increased flexibility to readjust resources in response to delays and equipment failures.

"Overall, our findings suggest that airline mergers do not harm, and may ultimately benefit, consumers via enhanced service quality in the form of on-time

performance, particularly a few years after the merger," they added. "Of course, a full welfare assessment must consider price changes as well as changes in all other quality dimensions, but for at least those quality dimensions we examine in our analysis, there does not appear to be any evidence of any notable worsening."

The professors used DOT Bureau of Transportation Statistics flight-level data on on-time performance from 1998 to 2013, on 3,917 non-stop routes, by 26 U.S. carriers. They decided to limit their sample to 3,917 non-stop routes. Nine of the ten carriers that merged made up the largest carriers in their sample.

2016-2017 Research Seminar Series

The BEPP Seminar Series is typically held on Fridays during the semesters and features invited speakers to meet, present, and discuss recent publications about topics in economics.

DATE	PRESENTER	UNIVERSITY AFFILIATION
September 2	Marika Cabral	University of Texas at Austin
September 9	Amanda Starc	Northwestern University
September 16	Alex Frankel	University of Chicago
November 11	Brendan Daley	University of Toronto
December 9	Ryan McDevitt	Duke University
January 13	Vivek Bhattacharya	MIT
January 20	Xingtian Zhang	University of Pennsylvania
January 23	Inga Deimen	University of Bonn
January 27	Marilyn Pease	University of Iowa
January 30	Can Urgun	Northwestern University
February 6	Chiara Margaria	Yale University
March 3	Odilon Camara	University of Southern California
March 24	Leemore Dafny	Harvard University
March 31	Andrew Sweeting	University of Maryland
April 14	Ying Fan	University of Michigan
April 21	Joel Watson	University of California

The 2017-2018 Seminar Series promises an impressive array of guests, including Donna Gilleskie (University of North Carolina), Sarah Moshary (University of Pennsylvania), and Katja Seim (University of Pennsylvania). The complete list of previous presenters and upcoming seminars can be found at <https://kelley.iu.edu/BEPP/Seminar/page14118.html>.

BEPP Club: A Year in Pictures

September 2016: Eat, Meet & Compete

The annual BEPP kickoff event was held after a major career fair so that recruiters would also be able to attend. The event was intended to allow students and faculty to mingle in an informal setting, and also to draw in potential underclassmen BEPP majors. Here we see Jeremy and Joshua enjoying a game of Cornhole, the official game of the BEPP Club.



pictured left to right: Noah Weisling, Anna Schilling, Creighton Helms, Jie Zhu, and Malvin Subianto

December 2016: Breakfast in BEPP

This bi-annual event, which takes place around finals week, is intended to bring together BEPP faculty and students to socialize. It also enables students the opportunity to ask any course questions before final exams. Professor Butters (right) promoted the event to encourage students to attend.



January 2017: Kenway Competition

The first-ever Kenway Consulting event kicked off the case competition season for the BEPP Club. Students used Qlik Sense to visualize data in the same way that Kenway consultants did for their clients in a previous engagement. The winning team (right), comprised of the BEPP executive board members, won \$100 Amazon gift cards.



pictured left to right: Robert Ridlon, Evan Farrell, Andrew Wang, Eric Chernick, and Richard Cao

April 2017: 84.51 Data Analytics Challenge

The 84.51 team (right) drove down from Cincinnati to host the Analytics Challenge with the BEPP club. On the evening prior to the challenge, eight teams were introduced to the creative solutions 84.51 delivers to clients and what it is like to be a consultant at 84.51. The following Friday morning, teams worked with over 525,000 rows of data “simulating” Kroger’s customer purchases. Using Excel, teams spent two hours analyzing and answering questions about the data. Teams looked at the impacts of pricing, displaying the products in the store, and advertising on profitability to reach the conclusions featured in their reports to 84.51.



pictured left to right: Doris Zhang, Evan Seitz, Drew Miller, and Anthony Nasti

March 2017: Economic Consulting Case Competition

BEPP Club and the Keystone Group partnered to host the 5th annual Economics Case Consulting Competition. This week-long competition featured 50 students in 14 teams working on a variety of solutions for an M&A case. Since this case was based upon a real merger, many teams gained practical experience and learned about what a Keystone project can be like. The top three teams took home \$800, \$400, and \$200. The first prize winners (left) with Evan Farrell, a manager at the Keystone Group.



Alumni Spotlight: Aaron Frazin

CharlieApp.com CEO



by Christy Heitger-Ewing

When Aaron Frazin (IU, '12) was completing his studies at IU, he was awarded a fellowship from the Kauffman Global Scholars Program, which enabled him to develop his entrepreneurial skills and ideas so that he could launch his own business. In order to take

the fellowship, during the second half of his senior year Frazin's professors allowed him to take classes virtually while he simultaneously started his own company called CharlieApp.com.

A service out of Chicago, Illinois, CharlieApp.com combs through hundreds of sources and, prior to meetings, sends clients a one-pager on the company executive they're going to meet. Paying for such a service enables clients to focus their energies on building relationships and closing deals rather than researching companies.

"People constantly tell me, 'I used to spend 60 or 70 percent of my day doing this research over and over and over, and that sucked up all my time. Now your service frees me to do the things I love,'" says Frazin. "Our whole team is pumped to have the opportunity to not only help people succeed but to enjoy their jobs more."

A job Frazin embraced during his time at IU was acting as team captain in the Little 500 race. Frazin, who participated in the event three years, rode with his team two hours a day during both the fall and spring semesters.

"If it was above 30 degrees, we rode outside. If it was below 30 degrees, we rode inside. If it was right at 30 degrees, there was usually a debate," says Frazin with a chuckle. Training for the race took a lot of time and dedication, but it made Frazin fit, focused, and forever grateful.

"The Cutters taught us how to do the bike exchanges so we could improve," recalls Frazin, who was impressed by the friendly atmosphere surrounding the competitive,

time-honored sport. "All of the teams were just an amazing community of people trying to help one another."

Frazin values his time—especially his time spent traveling. He met his wife, Stephanie, in 2009 when they were volunteering in Kenya, helping to build an orphanage. Every year he goes on a New Year's trip with friends and entrepreneurs. This year that took him to Mexico City and Panama. Last year he traveled to Columbia.

Besides his lovely bride and his beloved company, Frazin's other big love is ping pong—"my weird hobby," he says.

Launched in December 2012, CharlieApp.com is currently a team of five, though Frazin expects the company to double in size by the end of the year. As the CEO, Frazin's primary responsibilities include pitching to investors, recruiting sales people, and fundraising.

"I have an amazing team," says Frazin. "My co-founder runs the technical side, and I have wonderful engineers who run product and help with sales."

Though initially customers weren't paying for the platform, now they're eager to do so.

"It wasn't until we changed it from research before your meetings to research to help you get the meeting did people become excited to pay. We solved a big need," explains Frazin.

Since people are trying to set up more meetings to drive their businesses, they need to regularly reach out to companies. Frazin's business supplies the work of the middleman. "Instead of you calling about your company, we research the company and provide that information to you so that you can tailor your message to the things that the company cares about," explains Frazin, who credits his success to his years at Indiana University.

"The whole reason I got into the fellowship is because my professors were adamant that I pursue my dreams," says Frazin. "I'm forever indebted to them for believing in me."

Alumni Spotlight: Jessie Wild Sneller

Director of Experience Design at Sixup PBC, Inc.



by Christy Heitger-Ewing

Jessie Wild Sneller (IU, '07) recalls fondly her time spent on Bloomington's campus. She was a Kelley scholar, an Elvis Jacob Stahr award recipient, a member of the women's lacrosse team, and a leader in the Delta Gamma sorority. She also saw a need and

worked to fill it.

"When I was at IU, the top ranked strategy consulting firms did not recruit on campus," says Wild Sneller, who secured a summer internship with Bain & Co. Following the internship, Wild Sneller partnered with an IU professor (and former consultant) to launch a consulting workshop to create opportunities for other students.

After graduating, Wild Sneller was offered a full-time job as a senior associate consultant with Bain & Co. in Chicago. After two years, she moved to San Francisco (still with Bain & Co.) to work with education groups. In 2010, she joined The Bridgespan Group, which was a similar structure but one that focused on non-profits.

"It involved thinking about efficiency and revenue cost models, taking into mind the teacher, government, parent, and student perspectives," says Wild Sneller, who, through the years, moved on to other jobs, including the Wikimedia Foundation where her focus was on bringing underrepresented languages online.

Wild Sneller built and led the Learning & Evaluation team at the Wikimedia Foundation, working explicitly on increasing the number of female contributors and contributors from the Global South.

In 2014, Wild Sneller received a global fellowship to work with IDEO.org, a premiere design and innovation organization using human-centered design to solve challenges associated with global poverty. She was hired as the senior business designer to run some of their projects, but she stayed on after to help launch financial services.

"At IDEO.org, our goal is to create products and services that improve the lives of people in poor and vulnerable communities," says Wild Sneller. "We determine what they need and then build those services from the ground up instead of retroactively fixing it."

Since June 2016, Wild Sneller has worked as Director of Experience Design at Sixup PBC, Inc., a public benefit corporation and online lending platform whose mission is to lift up the next generation of high-achieving, low-income students in pursuit of a high-quality college education. Partnering with charter schools, counseling services, and government universities working with first-generation students, Sixup's platform combines community, finance, and technology to fund the life cycle of education and upward mobility.

Since low-income students don't have a credit history, Sixup has built algorithms that look at academic performance, graduation rates, and retention rates.

"All data shows that a four-year university is the main driver of one's social and economic mobility going forward," says Wild Sneller. The corporation also provides services that interact directly with the students to help them know how to pay back a loan after they graduate.

"A lot of these students didn't have parents who taught them how to manage a loan," says Wild Sneller. "We provide that type of coaching and training that a traditional bank would never offer."

Wild Sneller has found that her greatest challenge working in the field of social impact and development is that there is no silver bullet that is the cure-all in education. On the flip side, the sustainable impact is evident.

"These students' backgrounds are incredible. The adversity they've faced and their mission in life is so inspiring, and I get to be a piece of that," says Wild Sneller. "This is not case management work. I get to help build a viable product that can sustain itself and help tons of kids—not just a handful."

Alumni Updates

MATTHEW BARKLEY

Consulting Analyst

Accenture - Chicago, IL

2015 Graduate

Favorite IU Memory

Looking back, it's hard to nail down any single memory and say it's my favorite. Some of the ones that immediately come to mind are tailgating for IU football, Little 500, and the Wat Shot in 2011. Of course, Professor Ridlon's Managerial Economics and Economic Consulting classes are a close runner-up.

Most Valuable BEPP Course

Depending on the project I'm working on, I find myself looking at old presentations from G492, G406, and G456 for reminders on both the hard and soft skills any consultant should have. Keep in mind that your "valuable knowledge" will vary depending on the type of consulting you go for (managerial, technology, etc.) but in the end, you just need to have an ability to problem solve and a willingness to learn.

Career Highlights/Future Plans

Recently, I joined a group at Accenture that is learning how to incorporate some principles of behavioral economics in our daily interaction with the clients. I would highly recommend picking up a copy of *Thinking Fast and Slow* by Daniel Kahneman or *Misbehaving* by Richard Thaler for those who are interested in learning about it.



KENDALL CHANLEY

Core Consultant

Hitachi Consulting - Chicago, IL

2016 Graduate

Favorite IU Memory

My favorite memory from Indiana University is a compilation of all the relationships and knowledge I gained during my four years — both within the classroom and outside, personally and professionally. The journey from the person who walked onto the campus to the person that walked off campus has been the best memory that I have so far and has prepared me for all my next steps in life.

Most Valuable BEPP Course

The most valuable knowledge I gained within BEPP was from an Economic Consulting capstone course G400. The course highlighted case studies and problem solving and concluded with a group case study involving an authentic company and a current problem. The reality of the situation we were placed in prepared me for my role within consulting by giving me realistic client interaction, the ability to use creative problem solving, and guidelines for creating effective deliverables.



CALEB WILLIAMS

Space Systems Analyst

SpaceWorks Enterprises - Atlanta, GA

2014 Graduate

Favorite IU Memory

Tie between winning the Nielsen EC3 competition and IU beating Kentucky.

Most Valuable BEPP Course

Mmmm, that's tough — I would say Professor Lubensky's Managerial Economics course and Professor Prince's Data



Analysis course were probably the most instrumental in shaping my career to date.

Career Highlights/Future Plans

Last year I was featured in *Atlanta Magazine's* "From the Red Clay to the Red Planet" article, highlighting my team's work in developing 3D printing technologies for colonizing Mars. Our team consisted of seven young professionals (including three IU alumni) and was selected as a finalist for NASA's 3D Printed Habitat Design Challenge.

DANIEL MCKINNEY

Contract Buyer

Rolls-Royce North America -
Indianapolis, IN

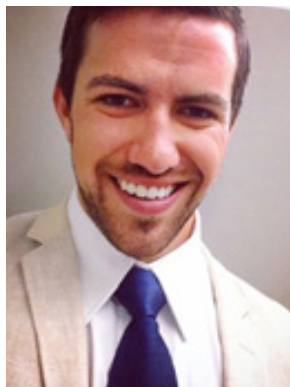
2013 Graduate

Favorite IU Memory

My favorite memory from IU has to be the passion and pride of all the students, faculty, and staff. Every day and everywhere, you see the IU brand represented and feel the energy of the campus. It's intoxicating and contagious.

Most Valuable BEPP Course

Can't recall course name/number but it was the class where we would read Harvard Business Case studies, read/analyze, and then discuss in class. I found this really helped my creative and critical thinking skills by allowing myself to brainstorm possible solutions then compare to my classmates with the course instructor guiding or giving us a framework for answers.



Career Highlights/Future Plans

I joined the Graduate Rotational Program at Rolls-Royce – not plugging the company but highlighting my experience – right out of college. The program allowed me to experience three different jobs, in three different business units, across three different functions, over a year and a half. I quickly developed an idea of what I wanted to do and most importantly, what I did NOT want to do! Since finishing the program just about two and a half years ago, I have received two internal promotions. I have had the opportunity and been selected for final round interviews or been approached about jobs in Mexico, Singapore, and the UK. I have traveled twice to the UK to give presentations to executive management. The experience has been awesome! I am looking to continue to grow my career at Rolls-Royce. The company recently offered/ sponsored a continued education program with APICS, specifically in Certified in Procurement and Inventory Management, which recipients, on average, receive a 15% higher salary than their non-certified peers. I am also considering going to back to school for either my MBA or a joint MBA-JD program (IU Bloomington is at the top of the list).

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