



A WORD FROM THE DEAN

The Faculty of Management—The Leon Recanati Graduate School of Business Administration at Tel Aviv University is Israel's premier business school—the only school of business in Israel which has the international accreditation of the prestigious AACSB. Our undergraduate and graduate programs train the top line of Israel's future business leaders, and among our 16,000 alumni we number the leadership of most of Israel's corporate sector.

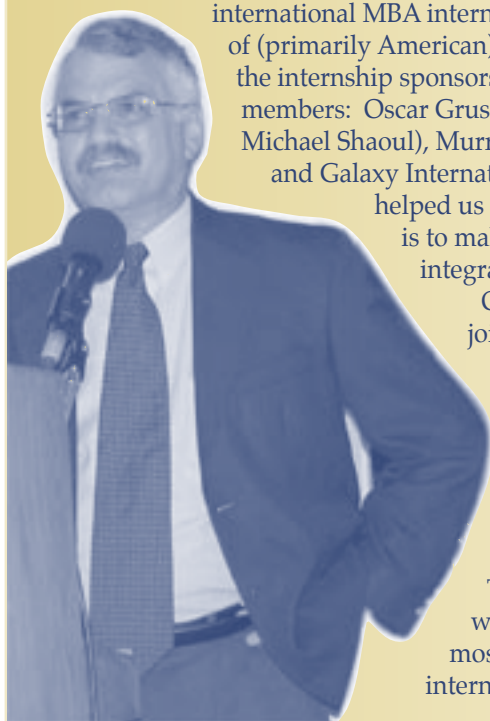
In the past two years we have broken new ground by the establishment of the Eli Hurwitz Institute of Strategic Management and the Chaim Katzman Gazit-Globe Real Estate Institute. Last year the Hurwitz Institute held the first ever Israeli strategy case competition, featuring Makhteshim-Agan, Israeli's leading agrochemicals company. Case competitions are new to Israel but are a feature of all major MBA programs in the United States. In this year's case competition students analyzed the international strategic decisions facing Strauss-Elite, the second largest company in Israel's food industry. The competition was facilitated by Recanati Board member Erez Wigodman, Elite's CEO, and his staff. Mr Wigodman also participated in judging the finalists. This year's competition featured the participation of teams from the Technion and Ben-Gurion University, meaning that we are on our way to creating the first truly national Israeli case competition.

The Katzman Institute is well on the way to establishing Israel's first and only real estate MBA specialization. Supported by a generous grant from Recanati Board member Chaim Katzman and headed by Dr Efrat Tolkowsky of the Recanati School, the Katzman program includes courses in real estate finance, taxation, and entrepreneurship. More than 150 of our best MBA students are enrolled in the innovative Katzman courses.

In November 2005 we had the first joint meeting of the International and Israeli Boards of the Recanati School. The Boards, meeting in Tel Aviv, discussed the future development of the School and reviewed the considerable progress we have made in the past year. They recommended the establishment of an International MBA Internship program, designed to place highly qualified Recanati MBA students in internships outside Israel for periods of one to three months, enabling them to gain valuable international experience. We are starting the International

MBA Internship program this summer. The first Recanati international MBA interns will be placed in a variety of (primarily American) firms. We are proud that the internship sponsors include a number of Board members: Oscar Gruss and Son (Board member Michael Shaoul), Murray Hill Associates (Neil Siderow), and Galaxy International (Bob Carp). The Board has helped us find other internships. Our goal is to make the International Internships an integral part of our MBA program.

Our Kellogg-Recanati program, a joint English-language Executive MBA program with Northwestern University's Kellogg School of Management, continues to be the most visible Executive MBA program in Israel. The KR program, now in its 11th year, keeps breaking new ground: This year the KR Alumni Group won a Kellogg award for the most innovative of all the Kellogg international alumni organizations.



The first joint meeting in Israel of the Recanati school's international and Israeli Boards

Our Global Consulting Program with the Wharton School continues to assist Israeli companies to formulate marketing strategies for new markets. This year the GCP is working with eight Israeli companies to formulate marketing strategies for entry into the US, Canadian, European, Indian, and Chinese markets. In each of these countries we partner with a local university, and the Recanati and local-country teams work together, along with the client companies, to build a viable business strategy. Along the way, our students gain the valuable international experience that the Israeli economy will need in future decades.

I welcome the suggestions and ideas of the Board of Governors of Tel Aviv University. Please feel free to contact me with your comments.

Sincerely, 

Professor Simon Benninga, Dean

A word from Professor Israel Spiegler Associate Dean of the Recanati School



The Recanati School continues its wide range of academic activities from an undergraduate degree program in Accounting and in Management, to MBA, M.Sc. and Ph.D. programs. Nine doctoral students are expected to get their degrees this year (as compared to 10 last year and 12 next year). They are the future faculty of Israel's schools and colleges of business.

A new addition to our Executive programs is the MBA for Engineers and Technology Managers, while the B.R.M Institute of Technology and Society, which started its activities this year, is granting 10 fellowships for research into various aspects of the link between technology and its contribution to society.

In the area of social responsibility, the Recanati School is taking part in a special project designed to help underprivileged groups in our society acquire academic knowledge.

The project aims at battered women, new immigrants, alienated youth, ex-convicts, minority groups, and more. Recanati has taken in 50 of these students—25 women who have been victims of violence and 25 young boys and girls. Each group is being guided by a team of four second-year and third-year students. At the end of the course they will receive a diploma from Tel Aviv University at a formal ceremony attended by the Dean of the Recanati School.

Thinking Heads—An Ongoing Dialog between Academia and Business

Thinking Heads, a CEO Club where the senior managers of Israel's companies meet to discuss key issues on the public agenda, exemplifies the ongoing dialog between academia and the business community that the Recanati School strives to promote. This year's meetings have included the guest lectures of Professor David Bradford

of Stanford University on "The Leader's Use and Misuse of Power", and Professor Brian Uzzi of the Kellogg School of Management on "Collaborative Networking for Business Success", as well as lectures by the best of Recanati's teachers and researchers, among them: Professor Yair Tauman on "Paradoxes in Decision Making"; Professor Asher Tishler on "Privatizing State Enterprises"; Dr Shmuel Ellis on "Organizational Dynasties"; and Professor Yair Orgler on "The Stock Exchange in an Era of Globalization and Reform". The Thinking Heads meetings are conducted by LAHAV and sponsored by the CA Company.

The Tel Aviv Banking Conference in the Wake of the Bachar Commission

This year's conference dealt mainly with the subject of regulation and the demand that the banks sell their pension funds. Professor Yair Orgler chaired the event, Professor Amir Barnea of the Interdisciplinary Center in Herzliya analyzed the business results of the banks, and Dr Yossi Bachar explained the rationale behind the guideline. Representatives of the Israeli and foreign banks, as well as insurance people and academics argued over the correctness of the action. As in previous years, the Supervisor of Banks at the Ministry of Finance, Mr Yoav Lehman, reviewed the previous year and described the forecast for next year. The conference is conducted by LAHAV.

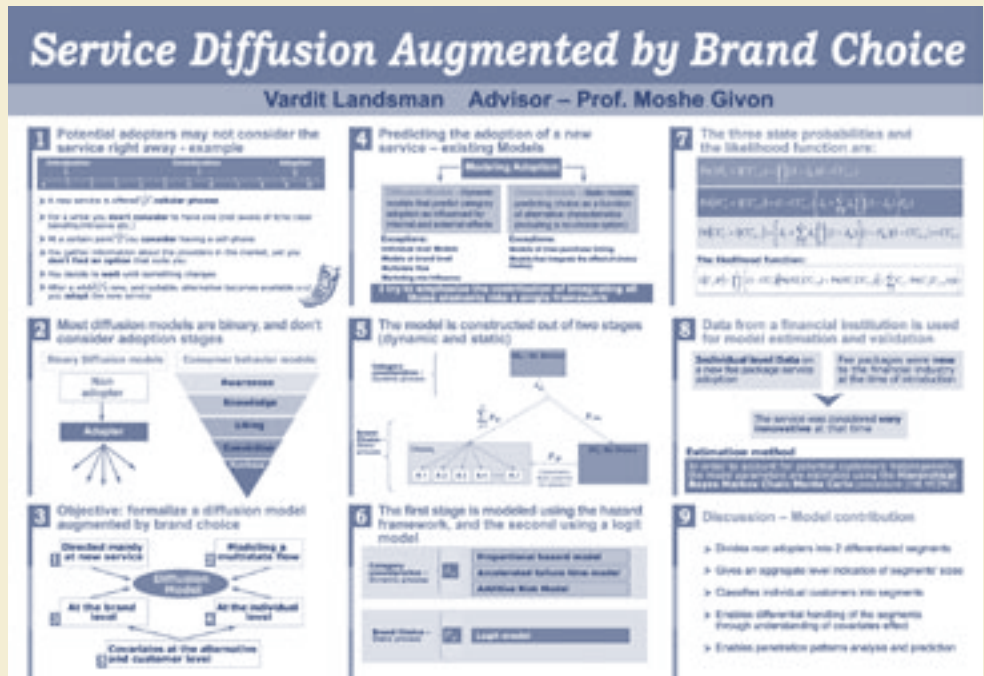
Israel's National Labor Court Quotes from a Recanati Student's Work

Recanati's MBA course in "NPO Management" aims to provide students with an initial acquaintance with the challenges of managing not-for-profit organizations through theoretical studies and a hands-on field project. Evidence of the quality of the students' work is to be found in the words of Judge Steve Adler, President of Israel's National Labor Court, who quoted extensively from one of the reports in a legal precedent given in August 2005 on the right of sanitation workers to receive compensation from previous employers when changing jobs.

Academic Pictures at an Exhibition

One of the events that took place during the International Marketing Research Conference held in December 2005 was designed to reveal the research cadre that the Recanati Marketing program has developed in recent years. In this special part of the conference, marketing researchers from Recanati, from the Hebrew University in Jerusalem and Bar-Ilan University presented their work on posters to dozens of their colleagues from Israel and abroad. A research poster is a large document, made up of text and graphs arranged in a clear and visually pleasing display that quickly and effectively explains the work. Here, for example on the right, is the poster of Professor Moshe Givon's doctoral student, Vardit Landsman, on "Service Diffusion Augmented by Brand Choice", and below is a summary of the presentation:

Many cases of innovation diffusion feature the following two characteristics: First, apart from an initial time period in which only one alternative is available, the customer adoption process also involves a choice between product category alternatives. In some categories, more than one alternative is offered immediately from the time of introduction. Second, the adoption process does not



include one stage only. A potential customer might go through various states such as awareness or consideration before finally adopting the innovation. These two characteristics are often not addressed in diffusion or choice models in the marketing literature. In this study, I suggest a brand-level diffusion model that addresses both phenomena. The model is intended primarily for diffusion processes of continuous services (Bolton 1998), but can also be used (with some modifications) in the context of products, mainly durable goods.

GCP—The Global Consulting Program

The Recanati School and the Wharton School have for the past 26 years been involved in a unique program of preparing strategic and marketing plans. It is a partnership that has resulted in the creation of the Global Consulting Program (GCP). In addition to Wharton, partnerships have also been formed with other leading business schools including:

- ESCP-EAP, a leading European business school with five campuses across Europe.
- The Schulich School of Business at York University in Toronto, Canada.
- The Hong Kong University of Science and Technology, Hong Kong.
- The Indian Institute of Management, Bangalore, India.

This year, 35 Recanati students are conducting seven consulting programs together with students from countries all over the world, including the USA, Canada, France, Hong Kong, and India. The projects have varied across

industries from traditional established industry leaders to innovative start-up companies, from small private companies to large government-held companies. We are especially proud to have been chosen by Israel's most successful retail software company—Retalix Ltd, and Israel's second largest food company—Strauss-Elite, to help them look for innovative ways to penetrate the US market, and by the IAI—Israel Aircraft Industries to explore additional routes to expand in India.



AACSB and EFMD International Conference

The AACSB—The Association to Advance Collegiate Schools of Business, and the EFMD—The European Foundation for Management Development, the leading American and European institutions responsible for accrediting business schools, held their first joint annual meeting in April 2006 in Paris. Being the first and only AACSB-accredited business school in Israel, it was important for us to be a part of this event, to enable us to broaden our network with the AACSB and EFMD leadership, as well as business schools all over the world.

The Kellogg-Recanati Global Network Comes to Tel Aviv

This past January, the Kellogg-Recanati students hosted their Kellogg counterparts from Hong Kong and Germany in Tel Aviv. The week included very interesting studies with Professors Tom Lys (Kellogg) and Maggie Neale (Stanford), and a wide range of social activities.

KR09 Goes to China

After completing its course "Doing Business in China" at the Recanati School, in March 2006, KR09, the ninth class of the Kellogg-Recanati International Executive MBA program, took off for a study tour in China that focused on Shanghai. The objective of the trip was to get a direct sense of what doing business in China was really all about. The students met with their Chinese counterparts in the Kellogg International Executive MBA program at Fudan University.

Summer Internships for MBA Students

We are starting a new International MBA Internships program for our students, committing ourselves to recruiting summer business positions, spanning three months, with companies outside of Israel, and then matching these positions to our most suitably qualified MBA students. By the end of March, Recanati had already secured seven positions in New York City and in Boston for the summer of 2006, three of them in real estate focused firms. The Recanati School looks forward to greatly expanding its International MBA Internships program in future years.



Student Exchange Program

In the first semester of the 2005/06 academic year, the Student Exchange program hosted 17 students from 12 universities around the world. Apart from taking courses offered in English by Recanati faculty members and participating in group activities with the local students, they were exposed to other aspects of life in Israel in various ways.

EXECUTIVE EDUCATION

EMBA in Managing Arts and Cultural Institutions

NEW NEW NEW

This year, Tel Aviv University opened its EMBA degree program in managing arts and cultural institutions. A joint endeavor of the Recanati School and the Faculty of the Arts, and the first of its kind in Israel, the program is intended for executives (CEOs, artistic directors, CFOs, COOs) in arts and cultural institutions. It is being conducted within the framework of Recanati's EMBA programs and its academic director is Dr Hadassa Shani of the Faculty of the Arts.

LAHAV — Executive Education

Update Programs

New courses in outsourcing and in real estate financing opened this year at LAHAV, adding to the existing courses in finance, marketing, project management, administration, and leadership. The various Update programs in finance, marketing, administration, and project management, conducted by senior faculty members and guest lecturers from the business community, continue to inform participants of the very latest developments in these areas.

Academic Excellence Prize from India's Amity IBS

In recognition of their contribution to promoting executive development and advancing global management education, the Center for International Business, affiliated with India's prestigious, privately run Amity International Business School, recently awarded an Academic Excellence Prize to LAHAV and a gold medal to LAHAV's CEO and Academic Director, Dr Ora Setter. The venue for these awards was The Seventh INBUSH Conference and International Business Summit, held in New Delhi, February, 2006. The event, which was attended this year by more than 7,000 representatives from around the world—government ministers, members of parliament, business people, managers in the public and private sectors, and academics—is the largest international business gathering in Asia.

Entrepreneurship with an Olive Branch

Since 2001, Professor Seev Hirsch has been the Academic Coordinator of the "Industrial Entrepreneurship and Management" course conducted at the Lavon Industrial Park in Galilee as a joint venture initiated and supported by industrialist Steff Wertheimer and LAHAV—Recanati's executive education center, in cooperation with the Jewish-Arab Center for Economic Development. Professor Hirsch says that there are many olive growers in the area of the Palestinian Authority, and while the Palestinian producers export a small part of their output to the Gulf Emirates and other countries, most of their produce goes to Israel. Thus, and particularly since the world demand for olive oil is on the increase because of its generally acknowledged special qualities, cooperation between Palestinians and Israelis is naturally called for. Oded Salamon, one of the students, came up with the idea of helping to upgrade the olive industry in the West Bank and to contribute to strengthening cooperation through a series of professional courses for olive growers, olive oil producers and merchants from Israel and the Palestinian Authority.

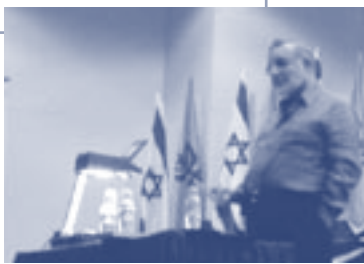
The Japanese government contributes to financing the courses. They wanted to help the Palestinians, and were persuaded that help in promoting cooperation between Israelis and Palestinians will contribute to boosting exports in the area more than direct support. Apart from the financial support, the Japanese were also persuaded to become directly involved in the project, and they do so through the Japanese Embassy in Israel, the Japan International Cooperation Agency (JICA), and the Japan External Trade Organization (JETRO), an organization that opens marketing channels in Japan for the olive oil of producers from Israel and the Palestinian Authority.

Business Summit—The Carmel Conference on Technology and Business

Creating value for companies with the help of information technology—that was the subject of this year's Carmel Conference on Technology and Business, conducted jointly by LAHAV and the CA Company, in September 2005. At the conference venue, the Carmel Forest Hotel, some 120 CEOs and their deputies learned how to integrate business and technology. In general, integrating the perspectives of the academics and practitioners who lectured at the conference gave a broad professional picture of the subject.

Predicting Organizational Success—Professor Ichak Adizes

In March 2006, Professor Ichak Adizes gave the keynote address to an audience of graduates of the special course for Jewish and Arab entrepreneurs—"Industrial Entrepreneurship and Management", sponsored by Steff Wertheimer and conducted by LAHAV. The title of the lecture was "How to Predict the Success of an Organization and Prevent Future Problems". Professor Adizes, considered to be one of the world's leading experts in the area of executive development, developing management teams, and organizational change, has developed a number of organizational diagnosis methodologies that have been implemented in many organizations around the world.



Outstanding Lecturer—Professor Dov Samet



Professor Dov Samet, lecturer in decisions and operations research and incumbent of the Louise Lea Flack Chair in Game Theory and Interactive Decisions, is the recipient of the 2005/06 Rector's Outstanding Teaching Award.

Winner of the Yoram Rosenfeld Prize

The winner of the this year's Rosenfeld prize, presented at Recanati in March 2006, was Nir Brueller for his doctoral dissertation titled "Creation and Capture of Value in Technology-Grafting Acquisitions". Nir's dissertation supervisors were Professor Eli Segev and Dr Shmuel Ellis. The Yoram Rosenfeld Fund also awarded a scholarship to a doctoral student and to an undergraduate student.



Women in Business

With the visit to Israel of Sherry Lansing, the one-time powerful CEO of Paramount Film Studios, LAHAV organized a conference in her honor, attended by a large audience, mostly women. Dr Ora Setter, CEO of LAHAV and founder of the "Women Advancing Women" forum, chaired a panel consisting of Ofra Strauss, MK Eti Livni, Tali Yaron-Eldar, Dalia Prashker, Professor Asya Pazy, and Professor Liora Katzenstein, an impressive group of women from the academic and business communities. The subject of discussion was women leaders in business, academia and politics in Israel and abroad.

The L'Oréal Competition

Going under the name Big Bro, a team of Recanati students, Gabriel Prenner, Kobi Strickovitz and Yochai Etzion, reached the finals of the L'Oréal international strategic case study competition, held in April 2006, in Paris. Though they did not come out in first place, their performance was impressive enough for one of them to be offered a job in the Internet Department at L'Oréal International in Paris. Along the way, the Israelis, under the guidance of Professor Jacob Hornik, beat teams from Harvard, Kellogg and INSEAD. In this competition each team is required to prepare a strategic business plan for the same given scenario. The judges, senior officeholders from L'Oréal, Microsoft, and BusinessWeek, add new data at each stage of the scenario and the students are required to adapt the business plan accordingly. Of the 7,000 teams of students from some 550 universities and colleges participating in the competition, eight teams reached the finals.

Entrepreneur of the Year Award

Dr Shimon Eckhouse, Chairman of Syneron Medical Ltd, was the winner of this year's Entrepreneur of the Year Award, presented in January 2006 by Ernst & Young and the Recanati School. He was also the winner of the Technology Category.



EFFIE Awards

For the first time ever, Recanati students will be among the competition's judges

EFFIE is the most important award in the marketing industry because it honors the one truly significant achievement in advertising—results. Introduced by the New York American Marketing Association in 1968, the EFFIE Awards have since expanded to 30 countries on five continents worldwide.

In May this year, MBA students of Professor Jacob Hornik's course "Principles of Marketing Management" will for the first time be participating as members of the panel of judges of the competition, alongside Ms Ofra Strauss of Strauss-Elite, Professor Avi Degani of the Geocartography Research Institute, and others.

Fulbright Scholar

Dr Lior Fink is the winner of a Fulbright Post-Doctoral Scholar grant for the 2006/07 academic year, awarded by the United States-Israel Educational Foundation. Dr Fink completed his Ph.D. in the Technology and Information Systems program (with distinction) and is now a faculty member at Ben-Gurion University of the Negev.



CLIPS

Global Business Case Competition in Seattle

The Israeli team came in second in their preliminary round at the University of Washington Business School's annual international **Global Business Case Competition (GBCC)**, held in April this year. Even though they didn't make it to the finals, this was a notable achievement for the Israelis, competing as they were against far more experienced teams from top business schools in 14 countries around the world, including Bulgaria, Denmark, Croatia, Spain, Israel, Uganda, New Zealand, Japan, Taiwan, Singapore, Canada, the USA, Colombia, and Brazil. This prestigious event, intended for undergraduate business students, gives them the opportunity to form cross-cultural relationships with other students from around the world, experience the city of Seattle, and participate in a competition that deals with a real-world case study.

The team members were Adam Eyal, Assaf Harel, Nir Nordon, Tamir Or, and Nir Rosman. The team instructor was Nir Brueller.

OB Best Paper Award

Shoshi Chen, a doctoral student of the Recanati School's Organizational Behavior program, won the prize for best paper based on a dissertation at the "Work, Stress, and Health 2006: Making a Difference in the Workplace" conference held in Miami on March 2-4, 2006, for her paper titled "Impact of Enhanced Resources on Anticipatory Stress and Adjustment to New Information Technology: A Field Experiment". She was one of five finalists. This is in addition to her winning second place in the competition for best paper based on an intervention. First place went to a study done by a full professor. Congratulations are also due to Shoshi's co-authors—her dissertation



The Eli Hurvitz Institute of Strategic Management Case Competition 2006

Following last year's success, the Institute sponsored the second Case Competition, held in March 2006 at the Recanati School. The choice for this year's case study was Strauss-Elite, the second largest company in the Israeli food industry.

Udi Aharoni—director of the competition, wrote the case study in cooperation with the company. Of Recanati's MBA students eligible to register, eight teams with four members each were chosen, while the Technion and the Ben-Gurion University of the Negev each sent a team.

The competition was conducted in two rounds. In the morning each team gave a 20-minute presentation to a group of academic judges, and the three teams that gave the best solution were selected for the final round. In the final round, the three teams presented their solutions to an audience of more than 100 senior managers from leading enterprises in the Israeli economy and a panel of judges headed by Mr Eli Hurvitz, Chairman of the Institute. The winners were one of the Recanati teams: Opher Aloni, Nir Livni, Karen Eldor, Naama Ronen



The Chaim Katzman Gazit-Globe Real Estate Institute

At the Institute's inauguration ceremony in November 2005, greetings were delivered by **Tel Aviv University President Itamar Rabinovich, Recanati Dean Simon Benninga, Chaim Katzman**, Chairman of Gazit-Globe and TAU Board member, and **MK Ophir Pines-Paz**.

Among the guests at the ceremony, which was hosted by the Katzman family at Tel Aviv University's Marcelle Gordon Club, were Tel Aviv-Jaffa Mayor Ron Huldai, members of the Recanati School's Israeli and International Advisory Boards, and representatives of the construction and real estate industry. Mr Katzman contributed to the setting up of the Institute in recognition of the urgent need to devise policy for effective land allocation and land usage, as well as a host of other issues that need addressing, such as dwindling land resources, a low level of investment in infrastructure, and massive government ownership of land. To meet these goals, **Dr Efrat Talkovsky**, Head of the Institute, is providing a cohesive framework for the research and teaching of real estates issues, urban economics and land policy, including the development of an MBA specialization in real estate.



The Marcel and Annie Adams Institute for Business Management Information Systems

The guest speakers at the monthly meetings of the Institute's Information Technology Executive Forum spoke on the following subjects:

- November 2005—Mr Jayant Pendharkar, Senior Vice President of the Indian software company Tata Consulting Services: "India and Israel: Opportunities and Synergies".
- April 2006—Mr Dov Moran, President and CEO, M-Systems: "Napoleon—Success and Luck".
- March 2006—Mr Jacob Gadot, Vice CEO for Mergers and Acquisitions in the Elbit Systems Group: "Mergers and Acquisitions as Part of the Organization's Strategy".
- February 2006—Mr Gil Agmon, CEO, Delek Vehicles: "A Survey of the Main Trends in the Automobile Industry in Israel and the World".
- January 2006—Mr Ronnie Einav, Founder and Manager of The New Dimension company: "The Story of the Company and the Milestones in Its Development, from Its Foundation until after Its Merger into BMC".
- December 2005—Deputy Commander Meir Zohar of Israel's Police: "Law and Order on the Internet: The Law and Its Practice in Israel".



The Joseph Kasierer Institute for Research in Accounting

On September 19, 2005, the Institute held its sixth annual seminar in honor of the late Joseph Kasierer. The subject this year was "The Significance of the Bachar Committee Recommendations for the Money and Capital Markets", and the speakers were Professor Itzhak Swary, Director of the Institute, Mr Motti Singer, CPA, Senior Partner at Kost Forer Gabai and Kasierer, Mr Yair Hamburger, Chairman, Harel Insurance Company, and Mr Eli Yones, CEO, United Mizrahi Bank. In his remarks, Professor Swary noted the year that had passed since the death of Hadara Mizrahi-Tabechnik, secretary of the Institute from its establishment in 1990 until 2003. At a separate ceremony held just prior to the seminar and attended by her family and faculty members, the Institute's library was named in Hadara's memory.

The Institute's "Financial and Accounting Reporting Club" held seven meetings over the last year to discuss various topical issues in the area of accounting, auditing, control, and financing, attended by the leading experts in the field. Three papers were published in the year: "Exposure to and Protection against Market Risks—Practice and Reporting", by Dr Dan Weiss and Ephraim Shost, CPA; "From Contribution Costing to Activity-Based Costing and Back: Lessons Learned from a Global Decision-Making Methodology Implementation", by Professor Boaz Ronen and Dr Nitza Geri; "Control and Surplus Voting Rights", by Professor Itzhak Swary and Alona Bar-On, CPA.

The Henry Crown Institute of Business Research in Israel

In 2005, the Institute published working papers on the 28 projects that it is currently directly funding. These projects cover all areas of Recanati's teaching and research: finance-accounting, managerial economics and operations research, technology and information systems, healthcare administration, strategy and entrepreneurship, marketing, organizational behavior and human resources.

CENTERS

The Miriam and Georg Faktor Entrepreneurial Center



In the past year, the Miriam and Georg Faktor Entrepreneurial Center has been active in the following areas:

- Supporting research on entrepreneurship in marketing and especially on diffusion and adoption of new products. The Center supports a number of studies through the Henry Crown Institute of Business Research in Israel.

The most notable of these studies was published in the *International Journal of Research in Marketing*, Europe's leading journal in the field of marketing. Co-authored by Professor Eitan Muller, Dr Barak Libai, and Ms Renana Peres, it is titled "The Role of Seeding in Multi-Market Entry".

- Participation in the Entrepreneur of the Year award along with Ernst & Young (see item on the award).
- The Center also held the following conferences in collaboration with Forum MIT:
- Creative Financing for Start-Up Companies.
 - Fund Raising for Early Stage Ventures.
 - Managing Turnaround.
 - Growth Engines and Corporate Strategy.
 - Selling from Israel: Exploiting Market Opportunities.
 - VC Added Value: Myth or Reality?

The Max Perlman Center for Global Business



The winner of the Max Perlman Award for Excellence in Global Business Management for the year 2006 is Mr Yitzhak Teshuba. Mr Teshuba received the award in recognition of his global business success, in a broad range of activities.

The Erhard Center for Higher Studies and Research in Insurance

Natural disasters—how they affect life insurance



The Erhard Center's annual conference, held at the initiative of Professor Shmuel Kandel, Director of the Center, convened in 2005 between the tsunami disaster in Asia and Hurricane Katrina in the USA. Sponsored by the Revios insurance company, among its guests were Dr Norbert Pyhel, Director of Revios, and Mr Fredrik Sundberg, CEO of Revios

in Sweden, who told the human story behind his country's coping with the tsunami disaster, which took the lives of more than 1,000 Swedish citizens.

This year, the Erhard Center awarded the Gottlieb Prize to Mr Moshe Shalev for his work titled "An Incident That Was Caused Intentionally", and the Berliner Prize to Dr Tali Weiss-Shalev for her work titled "The Dilemma of Cooperation in the Group: Joining and Sharing Resources as Solutions to Environmental Uncertainty".

The Kovens Health Systems Management Center



During the past year the Center has made an ongoing effort to ensure that Recanati's Master of Health Systems Administration (MHA) program maintains its leading position in the field of educating the future managers of Israel's health sector. With its unique curriculum and teaching tools, specially developed to enhance the learning

experience and allow for maximum field experience prior to graduation, the program continues to be a role model for others like it in the country. This year marks the 20th class of the MHA program with an all-time record number of students. The highlight of the 2005/06 academic year was the founding of the MHA Alumni Club under the umbrella of the general Alumni Association.

ALUMNI NEWS • ALUMNI

The Recanati Alumni Association

Cafe@Recanati

Networking meetings sponsored by American Express



• **Dr Yitzhak Peterburg**, former CEO of Cellcom and Clalit Health Services, on "Is there a Link between Managing Health Systems and Management in General".

• **Mr Zohar Zisapel**, Chairman of Rad Communications, on "The China Bluff".

• **Yali Sheffi**, CEO of the Israeli Phoenix, on "Structural Trends and Changes in the Local Insurance Market".



Academia and alumni

• **Professor Wilfried Van Honacker**, University of Hong Kong for Science and Technology, on "Doing Business in China".

• **Professor Itzhak Swary**, Recanati School, and Mr Tzvi Yuchman, CPA, Swary Yuchman Group, on "Rehabilitating Companies".



Workshops



• "Zen Juggling", with **Mr Oded Zohar**.

• "Franchising: Your Own Business But Not on Your Own", with **Mr Michael Benin**, Director of the Israel Franchise Promotion Person.

Guest lectures

• **Ms Sophie Blum**, CEO of Procter & Gamble Israel, on "Innovative Marketing in Action".

• **Mr Yoav Bruck**, Founder and Chairman of Issta Sports, on "The Link between Excellence in Sports and Excellence in Business".



Alumni

ארנון בוגרי
ביה"ס למערכת
ע"ש ליאון רקנאטי
אוניברסיטת תל-אביב



Industry tours

- Mekorot on the subject of: "Technology: The Only Solution to the World's Water Problem", with **Mr Booky Oren**, Chairman of Mekorot.
- America-Israel Paper Mills, Hadera, with Mr Yaki Yerushalmi, Chairman of the America-Israel Paper Mills.

Dual lectures

- "Marketing Absolut Vodka", with **Mr Ariel Epstein**, CEO of the Hakerem company, and Professor Jacob Hornik, Recanati School.
- **The alumni chapters in New York, Boston, and Chicago** are preparing for their annual meetings, to be held in September 2006.

The Kellogg-Recanati Alumni Club

Kellogg-Recanati Cares

Following the initiative of three socially conscious KR09 students—Gabi Shachor, Ariel Rosenberg, and Jeremy Nickerson, the Kellogg-Recanati Alumni Club has launched the "Kellogg-Recanati Cares" initiative of adopting the Rogosin high-school in Tel Aviv and giving its underprivileged pupils the unique experience of being exposed to business. The exposure is through two programs.

- **Bridge to the Business World:** weekly business presentations by Kellogg-Recanati students/alumni on their organizations and monthly tours of selected firms, hosted by Kellogg-Recanati students. During the first year of activities, the presentations were on the IAF, Seabridge Networks, M-Systems, and Intel, amongst others. The tours were to HP-Indigo, Neshor Cement, Cisco, the Palmahim Air Force base, Hyundai Israel, and more.
- **Personal tutor:** Kellogg-Recanati volunteers tutor the Rogosin high-school pupils in mathematics and English.

Deans' Dinner

The graduation ceremony of the KR08 class in November 2005 was the opportunity for the Kellogg-Recanati Alumni Club to host the annual Deans' Dinner. The dinner gave the Kellogg-Recanati alumni a suitable opportunity to bid farewell to Professor Gadi Ariav, who ended his term as Academic Director of the Kellogg-Recanati International Executive Education Program, and welcome his successor, Professor Israel Zang, who has returned to the School after ending his term as the Tel Aviv University's Vice Rector. The dinner was attended by 170 guests, including Dean Dipak Jain of the Kellogg School, Dean Emeritus Don Jacobs of the Kellogg School, and Dean Simon Benninga of the Recanati School.

EMBA Alumni Club

- **Annual event** for all EMBA alumni at Stoa in Kibbutz Ga'ash.
- **Joint event** with the Kellogg-Recanati graduates which included a lecture on "Philosophy, Methods, and Risk of Hedge Fund Investments"
- **Visit to Arcaffe**, including a tour of the production chain and a lecture by Arcaffe's CEO, Mr. Eldad Faigel.
- **Lecture** by Mr. Reuven Adler.
- **Visit to Ha'aretz-The Marker newspaper**, including a lecture by the editor of TheMarker, Mr. Sammy Peretz on: "TheMarker's Strategic Change".

MHA Alumni Club

The club was inaugurated this year with a special guest lecture by Dr Yitzhak Peterburg (former CEO of Clalit—the largest Health Maintenance Organization in Israel, and former CEO of Cellcom, a leading telecommunication firm). With over 350 alumni, many in leading positions in the healthcare sector, the club is bound to provide a strong foundation for networking.



Recent Research Publications

MANAGEMENT AND ORGANIZATIONAL BEHAVIOR

Professor Dov Eden
The Pygmalion effect. In J.H. Greenhaus (editor), **The Encyclopedia of Career Development**, Sage (forthcoming).

Self-fulfilling prophecy: The Pygmalion effect. In S.G. Rogelberg (editor), **The Encyclopedia of Industrial and Organizational Psychology**, Sage (forthcoming).

From implicit personality theory to implicit leadership theory: A side-trip on the way to implicit organization theory (with U. Levitan). In B. Schyns and J.R. Meindl (editors), **Implicit Leadership Theories: Essays and Explorations** (pp. 13-24), Greenwich, CT: Information Age Publishing, 2005.

Dr Shmuel Ellis
Learning from successful vs. failed events: The moderating role of kind of after-event review (with R. Mendel and M. Nir), **Journal of Applied Psychology** (forthcoming).

Says who? Epistemic authority effects in social judgment (with A.W. Kruglanski, D. Bar-Tal, A. Raviv, K. Sharvit, R. Bar, A. Pierro and L. Mannetti). In M.P. Zanna (editor), **Advances in Experimental Social Psychology** (Vol. 37, pp. 346-383), San Diego: Elsevier Academic Press, 2005.

After-event reviews: Drawing lessons from successful and failed experience (with I. Davidi), **Journal of Applied Psychology**, 90 (5), 857-871, 2005.

Professor Dalia Etzion
Respite as a means of recovery from occupational stress and burnout. In P. Buchwald (editor), **Stress and Anxiety—Application to Health, Community, Work Place and Education**, Cambridge, England: Cambridge Scholar Press (in press).

Professor Amira Galin
The endowment effect on academic chores trade-off (A.C.T.O.) (with M. Gross, S. Sapir and I. Kela-Egozi), **Theory and Decision** (Special Issue) (forthcoming).

Professor Simcha Ronen
Flexible working arrangements: Societal forces and implementation (with S. Friedman and H. Ben-Asher). In D. Steiner, S. Gililand and D. Skarlicki (editors), **Managing Social and Ethical Issues in Organizations** (tentative title), Information Age Pub (in press).

Predicting expatriate adjustment: Israel as a host country (with T. Shimoni and I. Roziner), **International Journal of Cross Cultural Management**, 6 (1) (in press).

Professor Arie Shirom
Work-related vigor and job satisfaction relationships with inflammation biomarkers among employed adults (with S. Toker, S. Berliner, I. Shapira and S. Melamed). In A. Delle Fave (editor), **Dimensions of Well-Being: Research and Intervention**, Milano, Italy: Franco Angeli (forthcoming).

Burnout and risk of cardiovascular disease: Evidence, possible causal paths, and promising research directions (with S. Melamed, S. Toker, S. Berliner and I. Shapira), **Psychological Bulletin** (forthcoming).

The association between burnout, depression, anxiety, and inflammation biomarkers: C-reactive protein and fibrinogen in men and women (with S. Toker, I. Shapira, S. Berliner and S. Melamed), **Journal of Occupational Health Psychology** (forthcoming).

A panel study of the effects of school positions and promotions on absenteeism in the teaching profession (with Z. Rosenblatt),

Journal of Occupational and Organizational Psychology (forthcoming).

Reflections on the study of burnout, **Work & Stress** (forthcoming).

School ethnicity and governance influence work absences of teachers and school administrators (with Z. Rosenblatt), **Educational Administration Quarterly** (forthcoming).

Lack of significant effect of low doses of aspirin on concentration of C-reactive protein in a group of individuals with atherothrombotic risk factors and vascular events (with O. Rogowski, I. Shapira, E. Ben Assayag, N. Bornstein, S. Toker, S. Melamed and S. Berliner), **Blood Coagulation & Fibrinolysis** (forthcoming).

A comparison of the construct validity of two burnout measures among two groups of professionals (with S. Melamed), **International Journal of Stress Management** (forthcoming).

Does burnout affect physical health? A review of the evidence (with S. Melamed). In A.S. Anthoniou and C.L. Cooper (editors), **Research Companion to Organizational Health Psychology** (pp. 599-623), Cheltenham, UK: Edward Elgar Publishing Co., and Athens, Greece: Greek Universities Publishing House, 2005.

Obesity-related correlation between C-reactive protein and the calculated 10-year Framingham Coronary Heart Disease Risk Score (with O. Rogowski, I. Shapira, S. Toker, S. Melamed, S. Berliner and D. Zeltser), **International Journal of Obesity**, 29 (7), 772-777, July 2005.

Burnout and health review: Current knowledge and future research directions (with S. Melamed, S. Toker, S. Berliner and I. Shapira), **International Review of Industrial and Organizational Psychology**, 20, 269-309, May 2005.

Benign hereditary leukopenia-neutropenia does not result from lack of low grade inflammation: A new look in the era of microinflammation (with S. Berliner, I. Shapira, S. Toker, S. Melamed and O. Rogowski), **Blood Cells, Molecules, and Diseases**, 34 (2), 135-140, March-April 2005.

Values of high sensitivity C-reactive protein in each month of the year in apparently healthy individuals (with O. Rogowski, S. Toker, I. Shapira, S. Melamed, D. Zeltser and S. Berliner), **American Journal of Cardiology**, 95 (1), 152-155, January 2005.

Association of components of the metabolic syndrome with the appearance of aggregated red blood cells in the peripheral blood. An unfavorable hemorheological finding (with S. Toker, O. Rogowski, S. Melamed, I. Shapira, S. Berliner and D. Zeltser), **Diabetes/Metabolism Research & Reviews**, 21 (2), 197-202, 2005.

Predicting teacher absenteeism by personal background factors (with Z. Rosenblatt), **Journal of Educational Administration**, 43 (2/3), 209-225, 2005.

A field experiment assessing the impact of the focused diagnosis intervention on job autonomy (with Z. Shperling), **The Journal of Applied Behavioral Science**, 41 (2), 222-240, 2005.

Increased erythropoiesis and subclinical inflammation as part of the metabolic syndrome (with T. Mardi, S. Toker, S. Melamed, D. Zeltser, I. Shapira, S. Berliner and O. Rogowski), **Diabetes Research and Clinical Practice**, 69 (3), 249-255, 2005.

Recent Research Publications

Employment characteristics of consultants in secondary medicine in Israel (with N. Nirel and S. Ismail), **HaRefuah**, 143 (7), 482-488, July 2004.

Role conflict and burnout among elite Israeli female athletes engaged in "feminine" and "non-feminine" sports (with M. Bar-Eli, M. Nir and A. Malach-Pines), **Women in Sport and Physical Activity Journal**, 13 (2), 39-51, Fall 2004.

Professor Mina Westman
Survival syndrome. In S. Rolberger (editor), **Encyclopedia of Industrial/Organizational Psychology** (in press).

Crossover effect. In J. Greenhaus and G. Callanan (editors), **Encyclopedia of Career Development**, Thousand Oaks, CA: Sage, 2005.

The crossover model. **The Sloan Work and Family Encyclopedia**, 2005.

The impact of short business travels on the individual, the family and the organization. In A. Antoniou and C. Cooper (editors), **Research Companion to Organizational Health Psychology**, London, UK and Athens, Greece: Wiley and Greek Universities Publishing House, 2005.

Cross-cultural differences in crossover research. In S. Poelmans (editor), **Work and Family: An International Research Perspective**, Mahwah, NJ: Lawrence Erlbaum, 2005.

Crossover of stress and strain in the family and at the workplace. In A. M. Rosi (editor), **Stress and Quality of Working Life: Current Perspectives in Occupational Health**, Sao Paulo, Brazil: Editora Atlas, 2005.

Professor Mina Westman and Professor Dalia Etzion
Short overseas business trips: A respite or source of stress? In F. Columbus (editor), **Advances in Psychology Research**, Hauppauge, NY: Nova Science Publishers (in press).

The crossover of work-family conflict from one spouse to the other, **Journal of Applied Social Psychology**, 35, 2005 (in press).

FINANCE-ACCOUNTING

Professor Joseph Aharoni
Costs and benefits in the choice of audit and underwriting quality in the IPO market: An empirical analysis of competing theories (with R. Barniv and C.J. Lin). In Greg N. Gregoriou (editor), **Initial Public Offerings: An International Perspective**, London, UK: Elsevier Press (forthcoming).

Project cost management in the high-tech industry: State of the practice and perceived needs (with D. Elnathan and T. Raz), **Roeh HaHeshbon—The Journal of the Institute of Certified Public Accountants in Israel**, 54, August 2005 (Hebrew).

Professor Simon Benninga
Principles of Finance with Excel, Oxford University Press, December 2005.

Financial Modeling (with B. Czaczkes), MIT Press, 2nd edition, October 2000. (The book was ranked as the number one text in financial engineering by Financial Engineering News). A Japanese translation was published by Seibunsha Press, 2005.

Dr Baruch Berliner
Ein markantes Beispiel zur Illustration einer extensiven Risikostrategie aufgrund angebotener Risiken, **Zeitschrift fuer Versicherungswesen**, September 2005.

Dr Eti Einhorn
The nature of the interaction between mandatory and voluntary disclosures, **Journal of Accounting Research**, 43 (4), 593-621, 2005.

MARKETING MANAGEMENT

Dr Barak Libai
Blazing saddles: Early and mainstream markets in high technology product life cycle (with J. Goldenberg, E. Müller and R. Peres), **Economics Quarterly** (Hebrew) (forthcoming).

The firm's management of social effects (with D. Godes, D. Mayzlin, Y. Chen, S. Das, C. Dellarocas, B. Pfeiffer, S. Sen, M. Shi and P. Verlegh), **Marketing Letters** (forthcoming).

Why does poor service prevail? A comment on marketing models of service and relationships by Rust and Chung (with E. Gerstner), **Marketing Science** (forthcoming).

The role of seeding in multi-market entry (with E. Müller and R. Peres), **International Journal of Research in Marketing**, December 2005.

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Professor Eitan Muller
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Dr Ron Shachar
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Brands as beacons: A new source of loyalty to multiproduct firms (with A. Bharat), **Journal of Marketing Research**, 41 (2), 135-150, 2004. ([Lead article](#)).

MANAGEMENT OF TECHNOLOGY AND INFORMATION SYSTEMS

Professor Niv Ahituv
The impact of accessibility on the value of information and the productivity paradox (with G. Greenstein), **European Journal of Operational Research** (EJOR), 161 (2), 505-524, March 2005.

Professor Shlomo Globerson
Cultural differences in project management capabilities: A field study (with O. Zwikael and K. Shimizu), **International Journal of Project Management**, 23 (6), 454-462, August 2005.

Professor Tzvi Raz
Innovation projects in Israeli incubators: Categorization and analysis (with B. Kahane), **European Journal of Innovation Management**, 8 (1), 91-106, 2005.

Economic optimization of off-line inspection in a process subject to failure and recovery (with A. Finkelshtein, Y. Herer and I. Ben-Gal), **IIE Transactions**, 37, 995-1009, 2005.

A comparative review of risk management standards (with D. Hillson), **Risk Management: An International Journal**, 7 (4), 53-66, 2005.

Professor Boaz Ronen
Critical chain: A new project management paradigm or old wine in new bottles? (with T.L. Lechler and E. Stohr), **Engineering Management Journal** (forthcoming).

Relevance lost: The rise and fall of activity-based costing (with N. Geri), **Human Systems Management**, 24 (2), 133-144, 2005.

Professor Dov Te'eni
Designs that fit: An overview of fit conceptualizations in HCI. In P. Zhang and D. Galletta (editors), **Human-Computer Interaction and Management Information Systems: Foundations**, M. E. Sharpe: Armonk, NY, 2006 (forthcoming).

The experience of implementing instructional technology in Israeli higher education (with G. Kurtz, Z. Mevarech and T. Neuthal). In M. Beaudoin (editor), **Perspectives on Higher Education in the Digital Age**, Nova Science Publishers, 2006 (forthcoming).

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Human-Computer Interaction: Developing Effective Organizational Information Systems (with J. Carey and P. Zhang), **John Wiley & Sons**, April 2006.

Levels of abstraction in designs of human-computer interaction: The case of e-mail (with Z. Sani-Kuperberg), **Computers in Human Behavior**, 21, 817-830, 2005.

Socio-technical aspects of ERP selection and implementation: The central role of communication. In L. Von Hellens, S. Nielsen and J. Beekhuizen (editors), **Qualitative Case Studies on Implementation of Enterprise Wide Systems** (pp. 1-21), Idea Group Inc: Hershey, PA, 2005.

KM for supporting organizational communication. In D. Schwartz (editor), **Encyclopedia of Knowledge Management** (pp. 734-740), Idea Group Inc: Hershey, PA, 2005.

Professor Moshe Zviran
User satisfaction from commercial web sites: The effect of design and use (with C. Glezer and I. Avni), **Information and Management**, 43 (2), 157-178, March 2006.

Website and organizational characteristics of Israeli firms (with C. Glezer), **International Journal of Electronic Business**, 3 (5), 411-426, December 2005.

Professor Moshe Zviran and Professor Tzvi Raz
A model for predicting hostile activity in computer networks (with I. Green), **Communications of the ACM**, September 2005 (forthcoming).

DECISIONS AND OPERATIONS RESEARCH

Professor Shoshana Anily
An optimal lot sizing and off-line inspection policy in the case of non-rigid demand (with A. Grosfeld-Nir), **Operations Research** (forthcoming).

Lot-sizing two echelon assembly systems with random yields and rigid demand (with A. Grosfeld-Nir and T. Ben-Zvi), **European Journal of Operational Research** (forthcoming).

Algorithms for the multi-item capacitated dynamic lot sizing problem (with M. Tzur), **Naval Research Logistics** (forthcoming).

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Dr Miron Gross
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MANAGEMENT AND LAW

Dr Eli Bukspan
The notion of trust as a comprehensive theory of contract and corporate law: A new approach to the conception that the corporation is a nexus of contract, **The Hastings Business Law Journal** (forthcoming).

Legal representation by students in academic clinics, through the prism of the right of access to justice and education to social responsibility (with I. Ilotovitch-Segal), **IDC Law Review**, Vol. 2, 427-481, 2005.

Ethics in business corporations: Legal and moral considerations (with A. Kasher), **IDC Law Review**, Vol. 2, 159-207, 2005.

On the links between companies and society, and the status of Section 11 of the Israeli Companies Law, **IDC Law Review**, Vol. 1, 229-267, 2005.

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