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International Faculty Profile

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Jerry Kim joined Columbia Business School in 2006 as an assistant professor of management. Raised in the both the United States and Korea, Professor Kim attended Harvard Business School, where he received his PhD in 2006. He teaches the Strategy Formulation course in the MBA core curriculum.

You spent significant portions of your childhood and young adult years in the United States and in Korea. Tell me some more about these experiences.

Basically, I've spent about 15 years of my life in Korea and about 16 years in Boston, so it's about half and half, and it's been great to be able to understand and enjoy two distinct cultures. In that sense it's very exciting, because you get the nuances of the different cultures and because a lot of times things get lost in translation. I feel very fortunate that I can understand both, and I thank my parents, who essentially dragged me to Korea when I was 10. Obviously I wasn't very happy at that time; basically, they dragged me kicking and screaming to Korea because I didn't speak the language and I didn't understand the culture at all. But in retrospect, I think of it as an amazing opportunity, and I don't think my parents even had that in mind. Now I have friends in both countries, I understand both cultures and, simply put, it broadened my perspective.

It's funny, I clearly remember my first day in a Korean public school and, specifically, that I didn't speak the language at all. The first day of school was the day after summer vacation, and so they administered a test. Obviously, I didn't know what was going on; I couldn't even understand the questions. And so since it was a multiple choice test, I randomly selected whatever I could. And out of 60 people, I was 60th. So, for a couple of years it was very hard on my self-esteem. You start out feeling pretty much like an idiot since you can't speak the

language and you don't understand anything. It definitely took some time to really catch up, but in the end it was such a great thing to happen to me.

You studied economics as an undergraduate in Korea and started your career there. What prompted this academic focus, and what was the impetus behind your first career decision after school?

I basically come from a very academic family. Both of my parents are PhDs, and that's the reason I grew up here in America, because my parents were both finishing their doctoral degrees. I think about six or seven of my aunts and uncles have PhDs, and all of my parents' friends have PhDs. Until about the age of 14 or 15, I honestly thought that everyone got a PhD, because all the people around me had PhDs. So in that sense I was almost predestined to go and get a PhD.

I knew from early on that I was very interested in social science. Even before I moved to Korea, I had an interest in human interaction. My mother is a psychologist, so from a very early age she ingrained this idea that you always have to observe people and understand how they are thinking, and so forth. Once I got to Korea, the cultural difference itself really heightened my sensitivity to how people think differently and how they interact with each other. So from an early age I definitely had a very social science focus to what I wanted to do.

And then when it came time to apply to college, I thought, "Do I want to be a psychologist, sociologist or an economist?" In Korea, you basically choose a major and apply for that major, and then you compete with the other people who are applying and hopefully you get in; and if not, you spend another year preparing. There are status dynamics with each major. At that point my school teachers wanted me to go into law or business or economics, because those were the high-status fields. I wanted something social science, and in the end I made the decision that if I am going to do something with social sciences, I wanted to do something very rigorous. It's very easy to do something less rigorous if you already have the rigorous base of, say, something so analytical, like economics.

I ended up going to Seoul National University doing economics for four years. When I started I thought I would become a professional economist, but then somewhere through the middle of my studies I discovered how many of the underlying assumptions in economics were just not very realistic. Plus I already had this very deep interest in human interaction and culture. To me, economics, though rigorous, doesn't capture the richness of how humans actually perform exchanges and transactions, and the implications of this. So I started to explore other

social sciences like psychology, anthropology and sociology, and I decided that I couldn't do straight economics. This was my early-age identity crisis. And that led me to question whether my predestined academic career was right for me.

This all culminated during my last year at school, and that's when I decided that I wanted to try out for myself what the "real world" was like. Lucky for me, at that point the Internet was just about to take off. I had always been into gadgets and computers—not a real hardcore programmer, but I've always been active in the online communities; at that time it was BBS, very low-tech stuff by today's standards. So in other words, I was a geek. On somewhat of a whim I decided to find out if Microsoft had an opening, so I sent me résumé to an HR contact I had come across. It turns out they were looking for someone with exposure to online communities, which was right up my alley. So I managed to get a job with them, and what I worked on, at least initially, was starting and developing the MSN portal in Korea. I was one of three on a team that started this whole business in Korea. With only three people, you can imagine, we all were asked to do almost everything. But my main tasks were generally around selecting, editing and authoring content for the actual portal—lots of fun because I got to choose what went on the front page.

This experience pushed me towards organizations and understanding behaviors in and between organizations. Going in, I had a very theoretical view of how people act in an organization, and so forth. Once I got in and got to see how things really work, it was clear that the theories were developed by people who had never actually worked. And to me what was most profound was that the social setting, or the organization—the basic structures in which we worked—influenced the way we interacted with colleagues and the dynamics of the workplace. Especially coming from an economics background, where each individual is essentially an atom and the social setting doesn't really matter, that was a very big shift for me and pushed me towards thinking more about organizational aspects.

Why did you choose to return to graduate school?

I really loved my job; I mean, I was getting paid to do stuff that I would have done anyways as a hobby. But deep down, I knew that I was more interested in delving into a more abstract idea of what I was working on at the time. And I don't think I ever got rid of my desire to be an academic. So I decided to apply to a few schools, and if I got in, great; if not, I'd just continue doing what I was doing.

When I started preparing my applications the great thing was that I had a lot to write about. Working in a multinational company really helped me to see and understand the issues of how difficult it is to run one of those companies. I definitely noticed the cultural issues, especially at a company like Microsoft, between Redmond, Wash., and Seoul; I felt that they didn't really understand the local tastes. At the time, I was also getting really interested in networks, especially for MSN Communities and Messenger, so this was something else that found its way into my applications.

I also wanted to return to the U.S., and specifically Boston, where I grew up and had such great memories. So when I got accepted to Harvard Business School's doctoral program, it was kind of a no-brainer for me to go.

Where are you focusing your research?

Broadly speaking my interests are in regulation, especially in more technology-oriented areas, and the understanding of how firms innovate—or don't innovate, for that matter. More specifically, I am working on two topics.

One of these topics is regulation in the pharmaceutical industry, where I look primarily at the Food and Drug Administration (FDA). My doctoral dissertation looked at which pharmaceutical firms receive faster approval for their drugs through the FDA review process. I think it's a very fascinating and underexamined phenomenon, because essentially every day spent under review at the FDA is a day of lost revenue for a pharmaceutical firm; there are estimates that a one-month delay in regulatory review leads to approximately $40 million in lost revenue. So it's big bucks for the pharmaceutical firms and very important for them to figure out how to get their drugs through the review process quickly. There are a lot of competitive implications as well, because if you are first to market, you can leverage first-mover advantage.

I've spent a lot of time collecting data on the amount of time the FDA takes to review a drug and what kinds of firm characteristics lead to faster review and approval. One of the more interesting things I found was that a firm's standing or status in knowledge-production capabilities, even though it's not really correlated with the quality of the products the firm produces, leads to faster approval. So, for example, if a firm is a very highly reputed cancer researcher with lots of academic studies on cancer, they will receive faster approval in another therapeutic area, such as cardiovascular, even though there is no relation at all between the cancer work and the cardiovascular work. So in a way, the FDA respects those firms that do good science. There are a

lot of implications on how firms should spend their money, as spending money on R&D has both direct and indirect benefits in getting faster regulatory reviews.

On a more recent project, I've been looking at generic pharmaceutical firms. And the main reason is that a lot of academics have paid attention to pharmaceutical firms because they are innovators and because they develop all these cutting-edge technologies. For me, the contrarian position is What about firms that explicitly do not innovate, such as generic pharmaceutical firms? But while they aren't innovating in the sense that we normally associate with pharmaceutical firms, it's still a form of innovation. Generic firms are using regulatory processes to find ways to come up with existing drugs at a cheaper price. So while it may not be the most cutting-edge, it's still providing a great social value. There's also a big international element in the generic space. Historically, homegrown players here in the U.S. would never really challenge the big pharmaceutical firms. Now, large international generic firms are breaking all the rules and challenging these big pharmaceutical firms. They are coming from outside the existing status hierarchy and therefore are willing to "play rough" and upend the current status quo. So, over the last 10 years, the dynamics have shifted dramatically.

How have your varied international professional and academic experiences shaped your research interests?

To be frank, coming into my doctoral program I made a conscious effort not to be one of those people that came from Korea and studied Korean conglomerates and wrote a dissertation on how Korean businesses are different. And that was a very conscious decision on my part, because first of all people don't really take that very seriously. I didn't want to be typecast as a Korea-only scholar, basically pigeonholing myself for the future. I wanted to do something more generalized, something that would have bigger implications for a firm or people anywhere in the world. So I explicitly steered away from anything that was Korean or Asian or along those lines. In that sense, I never really pursued or utilized the perspective that I had on the differences in culture between East Asian and Western countries.

As I've grown as an academic, I'm getting more interested in leveraging those past experiences, and I feel more comfortable now using that knowledge, because I'm not a doctoral student anymore and I've started to establish an identity as an academic. I almost feel now that it would be a shame not to use the connections I've gained in the country where I spent nearly half of my life.

Do you have any plans to return to Korea?

There are a lot of personal dynamics to that. I think academically I love where I am right now. In the long run, there are more family reasons which come into play. To be honest, a lot depends on my parents, who still live in Korea. My father's dream is to live on a golf course in North Carolina when he retires. So personally, a lot depends on my family and my parents, but I think those decisions are still many years away.

From a professional perspective, I found out that Columbia Business School recently formed an alliance with Yonsei University in Korea, and as part of this alliance scholars from Columbia will travel to Yonsei to teach and take part in other research activities. As it turns out, my mother is actually a faculty member at Yonsei, so you can imagine how excited she was hearing this news. So I think it would be a great opportunity, and I would be more than willing to help Columbia establish stronger ties with the Korean business community.

This past spring you taught your first course here at Columbia Business School—core Strategy Formulation. How did you find your first teaching experience?

Exhausting. But to be completely honest, it was a blast; I had so much fun. I never anticipated that it would be so energizing, so exciting to teach. The dirty secret of academics, which you may have already heard, is that throughout your doctoral education you are socialized into thinking that teaching is a drag on the time you have to do serious research work. And so you are almost conditioned to dislike teaching. So that's why I was so surprised with how much I enjoyed it. But I place all of the credit with the students, and I say this without a hint of modesty or humility, because essentially the discussion style of teaching depends wholly on the preparedness and energy of the students. As a first-time teacher, I faced many problems and I didn't know what I was doing half the time, so in that sense I was very lucky and fortunate to have students who were willing to work with me. Looking back now, I kind of miss teaching. It's great that I have time to do research, but I miss the twice a week excitement from the semester.

You are lifelong Boston Red Sox fan and experienced their 2004 World Series run while in Boston for graduate school. Any thoughts on their prospects this year?

Well my mood swings tend to correlate pretty strongly with how well the Sox are doing. This past week I was quite high, but since they've dropped four straight I've been kind of low. They are actually playing as we speak right now, so I am nervously glancing over at the monitor to

check the latest developments in the game. This year the prospects are good, though I think they are playing slightly above their heads right now. But as a Red Sox fan, I almost derive more joy by watching the Yankees suffer and stumble through the season than actually watching the Sox. So at home I have two screens, one for watching the Yankees game and cheering for whoever is playing the Yankees, and another for watching the Red Sox.