Is the Dollar Still King?

Plans that Start Up

Climbing Out of Debt
In winter 2004, Professor Gloria Wheeler sat in her office, visiting with an old friend. Years before, the two had talked about walking across England. “So are we going to do it?” her friend asked.

That question got Wheeler thinking. She decided to begin walking the Provo River Trail and hiking the “Y” trail—sometimes twice a day—in preparation for the 192-mile trek through northern England.

Wheeler, a professor of public management, along with five other women flew to England and began their trek this summer with a trail tradition, dipping the tip of their boots in the Irish Sea. They then traversed through the mountains of the Lake District, across the Pennines, and down Swaledale to the North York Moors.

Along the way, the women stopped in Grasmere, home of famous English poet William Wordsworth. Wheeler thought of Wordsworth’s poem “The Daffodils” as she saw thousands growing wildly along the Ullswater.

When the group reached the east coast, they again stepped in the water, signifying the end of their eighteen-day journey. Wheeler concedes that trekking across the isle once was enough. The trail was a bit confusing—even for a statistician. “We got lost every day,” she says.

Now that she’s back in familiar territory, Wheeler admits that while the trek was a good experience, she’s content with hiking the Tanner Building stairs.

From left: Jane Saunders and Professor Gloria Wheeler.
The Need for Ethical Leadership in Organizations
By Ned C. Hill

Diversity Initiative

The School of Accountancy and Information Systems divides, and a new Organizational Leadership and Strategy Department chair is named. Entrepreneur

magazine places the school in the top tier of regional entrepreneurial programs, and Governor Jon Huntsman Jr. speaks at eBusiness Day. Also find out who received the 2005 Merrill J. Bateman Awards.

Governor Olene S. Walker is named Distinguished Utahn, and a MAcc grad nabs an academic fellowship at the SEC. An alum heads up the U.S.A. Men's Volleyball Team, and an MPA grad offers a guide to movie producing. Also read about former classmates and friends.
Several years ago, a Marriott School alum who is now a member of our National Advisory Council worked for a multinational corporation outside the United States. He was part of a management team contemplating whether or not to pay what could be considered a bribe to obtain a large contract. His colleagues argued, “Everyone does it here.” He wondered how to steer them down another path. “If you want to follow this practice,” he suggested to the group, “let’s write a news release describing what we are doing so everyone can see.” His comments put the transaction in a new light, and the management team became convinced they should not pay the bribe. His ethical leadership saved the day.

While it is important to understand ethical issues, it is more important to have the courage to behave ethically—even when such choices exact a price. When one is part of an organization, especially in a leadership capacity, it is essential that one lead others to act ethically. Sometimes just one person can influence the ethical behavior of many others.

How important is ethical leadership? An executive for a large U.S. retailer observed that there are three types of employees. First, a small group who will behave honestly virtually all the time. Second, another small group who will behave dishonestly when given opportunities. And third, a large group who can go either way depending on leadership. If there is strong ethical leadership, this swing group will behave like the honest group; but if ethical leadership is lacking, this swing group will behave like the dishonest group.

For example, a large credit union in Australia was fraught with fraud, dishonest dealings, employee theft, etc. It was acquired by a larger firm that had a strong ethical reputation. For a year the employees—almost all of whom stayed with the acquiring firm—underwent extensive training from the new management team. The message was clear: the highest ethical standards were expected from all. The result? Losses from fraud diminished to almost zero. Every measure of ethical behavior changed for the better. A complete transformation took place because of strong ethical leadership.

As our National Advisory Council traveled to China last spring, we were overwhelmed with the warm reception from Chinese leaders. Area President John A. Dickson, who traveled with us, explained that Chinese leaders are so positive toward us because Church leaders deal honestly with them. Such behavior has established a solid foundation for trust and friendship between both parties.

Certainly the “tone at the top” from Church and BYU leaders is that of complete honesty and integrity. Within this solid framework, we strive to instill in Marriott School students the qualities of ethical leadership. Although few in number, we trust our students and graduates will “leaven the loaf,” bringing businesses and communities to higher ethical standards.

Sincerely,

Ned C. Hill
Dean
Your Contributions in Action

DIVERSITY INITIATIVE

No one in Beatrice Cortes’ family has ever completed graduate school. So when the California native and Mexican descendant graduates from the Marriott School next year with her MBA, she will be making history. But passing that milestone was only a dream until she received an Extended Reach scholarship. “The scholarship got me into grad school sooner than I could have done on my own,” she says. “I am fortunate to have it and am very appreciative.”

As the Marriott School attracts a more diverse student body, those low on funds, like Cortes, are quickly pioneering their own future. That’s mainly due to Extended Reach scholarships—financed by private donors and companies such as Ford, Honeywell, Hollywood Entertainment, PricewaterhouseCoopers, and Union Pacific—offered to minority students who demonstrate high academic performance and financial need.

Since launching the diversity initiative in 2002, the Marriott School has made great strides in increasing the number of women and ethnic minorities across its graduate programs. In this year’s MBA class, women account for 21 percent of students (up from 14 percent last year) and underrepresented minorities account for 7 percent (up from 5 percent last year). Progress is also evident in the MPA program, where underrepresented minorities participation grew from 9 percent to 11 percent in the last year.

The initiative focuses on two main strategies—creating a supportive internal climate and recruiting diverse students and faculty. By achieving these goals, the school aims to better reflect the growing diversity of Church membership and also to prepare its students for the business world.

“The better equipped we are coming out of the Marriott School to deal with diversity, the more we will add value to the companies we go to,” says Thomas Chock, a recent MBA graduate from Hawaii.

To that end, the Marriott School recently produced 88 Words: Stories of Diversity, a six-minute DVD highlighting five minority graduate students in their own words. Says MPA student Maria Pedroza in her segment—“I came from Mexico as a seven-year old who spoke no English, and as a child I heard mentors talk of opportunity. So I grew up studying this country in books and then sought learning across the nation.”

As part of the school’s recruiting effort, administrators are developing a pipeline of minority students. Outreach activities have included an annual diversity open house, meetings with leaders of minority organizations, and relationships with multicultural centers at other campuses. The school has also relied on Management Society members to recruit and refer candidates.

“It’s not just about increasing numbers,” says Gloria Mladineo, a Hispanic who finished her MBA in April 2005. “It’s about having people from diverse backgrounds who will give you different perspectives.”

The school also has a diversity committee, which promotes dialogue about diversity through faculty retreats and student orientations. In addition, the group is developing a web-based toolkit that will give faculty access to cases, articles, discussion topics, and best practices.

While the Marriott School is making considerable progress, directors continue working toward a loftier goal. “Diversity should not be measured by representation—counting heads—alone,” says Grant McQueen, a professor and diversity committee member. “Representation needs to be combined with inclusion and education.” As for Cortes, who expects to graduate next April, the initiative is showing its fruits one dream at a time.

To receive a copy of 88 Words, a DVD highlighting diversity at BYU’s Marriott School, please call (801) 422-7696.

“It’s not just about increasing numbers. It’s about having people from diverse backgrounds who will give you different perspectives.”

—Gloria Mladineo, MBA ’05
Talk to any cheese importer, student studying abroad, or retired couple finally realizing their dream to see the Sistine Chapel, and you’re bound to hear that leaving the United States hurts, especially in the pocketbook.

Americans abroad are being hit by the unexpected "American tax," as the value of U.S. currency has dropped in comparison to others such as the euro, pound, and yen. As a result, that Murano glass vase from Venice, Italy, now costs 25 percent more than it used to. So what happened to the all-dominant dollar? Can it maintain its rule over world financial markets or will younger upstarts—namely the euro—steal its scepter?

The U.S. dollar sits at the heart of an international economy invisible to most. Trillions get traded daily to cover the cost of the television set bought from Japan, breakfast fruit imported from Mexico, and shirts tailored in India. For many foreign governments and individual investors the dollar is a secure investment instrument—serving as the world’s primary reserve currency for more than half a century.

Hal Heaton, a Marriott School professor of business management, likes to tell his students about Citibank in Sao Paulo, Brazil, that was dealing with off-the-charts inflation during the 1980s. At one point interest rates hit 58 percent—a month! To help its clients deal with the country’s swollen economy, the bank chartered a Boeing 747, filled it with U.S. currency—$20, $50, and $100 bills—and flew it to Brazil, where the cash was distributed to the bank’s wealthiest clients, who abandoned local currency for something more stable.

While few would argue the dollar has abdicated its dominant role, its clout seems to be slipping. Whether this means the dollar is headed for collapse or experiencing some temporary heartburn that will remedy itself largely depends on your point of view. There is no question, though, that the value of the dollar is down. In July 2002, a euro cost $0.98; three years later, that same euro cost $1.21, a 23 percent jump, which means the dollar could buy less. So far that’s mainly good news for foreigners, especially those using euros—a currency that has taken off.

"People are worried because they’re sitting on such huge quantities of dollars at the same time that the United States has a huge trade deficit," Heaton explains. "The question is, are investors going..."
to be willing to hold as many dollars? What if they simply stop buying, and nobody steps in to buy those treasuries?"

But, it's not just a strong euro that worries investors. Japan's government still holds hundreds of billions in U.S. Treasury Bonds while the dollar's value has fallen by roughly 20 percent against the yen in recent years. So why are the Japanese investing in the United States instead of themselves? "Well, if the Japanese government were simply to stop buying, it would have a huge impact," Heaton says. By selling their U.S. T-Bonds, Japan could cause the dollar's value to decrease and the yen to increase, but that would make Japanese goods more expensive for Americans and raise unemployment levels in Japan, something the country isn't looking for.

THE DOLLAR'S RISE
While predicting the future is a risky undertaking, understanding the historic role and strength of the dollar may shed some light on likely scenarios.

"In the late 1800s, if you wanted to build a cross-country railroad or put in Alexander Graham Bell's new telephone system, virtually every country in the world got its money from London," Heaton says. "London was the banking capital of the world, and the currency of the Empire on which the sun never set—the pound sterling—was the world currency."

Some fifty years later, England, together with the whole of Europe, was in shambles after two devastating world wars. Lee H. Radebaugh, a Marriott School accounting professor and international business expert, explains that after World War II, the International Monetary Fund was established, and the dollar," just by virtue of how we came out of the war," became the major reserve currency.

"After World War II," he adds, "there was a tremendous amount of pent-up demand in the United States because all of our resources and consumption had been directed to the war. So when the soldiers came home and the military economy went down, consumer demand went right through the roof, and the United States began growing like crazy."

In addition, all the money that went to Europe and Japan through the Marshall Plan was sent in U.S. dollars. Heaton adds, "If a country wanted any of the major technologies—jet engines, television transmitters, radar, transistors—it was all coming out of the United States, and every major country in the world kept billions and billions of dollars in deposits in U.S. banks."

THE DOLLAR'S DECLINE
But as in most of life's arenas, it's hard to remain on top. The dollar is no exception. The British pound still holds some sway, and Japan's postwar rise to prominence led to the yen becoming a major player in world currency markets as well.

More recently, a new player on the international currency field, the euro, has affected the dollar's dominance. The mere existence of the euro is a bit of a surprise to Radebaugh, given the Germans' historic attachment to the mark, which traditionally has been the strongest currency in Europe. The idea of a common European currency had been talked about as early as 1957. Nevertheless, it took several failed attempts and more than forty years to materialize. The euro started in 1999 for commercial transactions and in January 2001 as a tangible public currency.

The idea for a common currency developed, in part, because other countries wanted the same benefits the United States enjoyed from being the world's reserve currency, which provided the advantage of hundreds of billions of dollars of free money, Heaton explains. "Europe has always had suspicions about America, and there's been sort of a rocky relationship."

Europe also had other reasons for instituting the euro, specifically the need for free trade. "They could see that in the twenty-first century, you had to have a certain sized business to get the economies of scale," Heaton says. "There were so many separate countries in Europe that they could never get sufficient sized businesses, and there were trade barriers that kept putting them at cost disadvantages. So they eliminated the trade barriers as they implemented a common currency."

But Europe set its sights on a bigger goal. "They hoped they would have a currency big enough—meaning enough transactions, and trillions of dollars in various securities, and enough stability—that they would get the additional benefit of becoming the world's reserve currency," Heaton explains. When more people and countries buy into a currency, making it their reserve, it remains more stable.

When the euro came into being, it initially dropped so much in value—by nearly 30 percent over two years—that it looked like it might be a failure. But then several factors breathed life into the euro, increasing both its value and standing in international monetary circles.

Radebaugh provides a thumbnail perspective of the events leading to the euro's rise and the dollar's decline. Those include the bubble bursting on the dot-com explosion and the tragedy of September 11, 2001. At the same time, the European Central Bank kept interest rates higher to combat inflation while the Federal Reserve relaxed theirs, causing investment dollars to flow into the Euro zone. Radebaugh also points out two additional factors that led to the dollar's decline and the euro's rise: the United States' budget went from a $128 billion surplus in 2001 to a $157 billion deficit in 2002, brought on in part by the war in Iraq, and a huge trade deficit, $362.7 billion in 2001 and $421.2 billion in 2002.

However, it's the budget deficit here at home that is more of a factor than the trade deficit because its something that we have control over, Radebaugh says. "By allowing the dollar to fall, we can hopefully reverse a bit of the trade deficit; but by controlling our budget deficit, we reduce the need to borrow more money. The only way the government borrows money is through the
sale of treasury bills or bonds,” he says.

As for the trade deficit, Radebaugh explains, “We are the engine of growth for the world, so why would we have a big trade deficit? Because everyone is using us as a place to export to, Americans are absorbing imports from abroad because our economy is growing. On the other hand, our companies are trying to export to other countries, but their economies are weak, and there aren’t enough markets to sell to. While imports are going up, exports are going up too—but very slowly, even with a weak dollar. Another reason for the deficit is the rapid rise in oil prices. Higher prices mean higher imports, with the economy still booming and demanding imported oil.” Since 2000, U.S. imports increased 22 percent to $1.8 trillion in 2004. However, exports only went up 7.5 percent to $1.2 trillion during the same period.

But don’t think all Americans are losing out. A weak dollar makes American exports more competitive, which puts Europe at a disadvantage and underscores the complexity of the global economy.

THE DOLLAR’S FUTURE
Not surprisingly, there are critics who see gloomy prospects on the horizon. Radebaugh, however, holds a more optimistic view: “Everybody points out that we have this huge budget deficit and that people are not going to buy treasury bills. I’ve been hearing that for twenty years, and they still keep buying treasury bills because the U.S. economy is strong. If you look at a country’s power—political, military, and economic—the United States is the only country that has all three.”

Even in landlocked Utah, some businesses are dealing with these financial exchanges daily. Just ask Ali Manbeian, Jason Langston, and Ryan Gibbons, all partners in Salt Lake City-based Global Positioning Solutions, Inc. The team spends its days providing foreign exchange services and has an up-close view of the dollar and its relation to foreign currencies. “From an economic standpoint, the dollar is under enough pressure as it is,” Gibbons says. “With high oil prices and account deficits, there is a possibility of a currency crisis. The dollar is still the super currency, but the euro is on its tail—and very close.”

Langston adds, “In the last year—as the dollar has had difficulties—some countries began pulling their reserves out of dollars and putting them in euros. In big countries like Japan, Russia, and China, large trading companies are pulling their U.S.-based assets and selling them in favor of the euro. There is more liquidity that we’re seeing.”

Manbeian summarizes GPS’s approach to helping businesses navigate the waters of foreign currencies by noting, “The euro opened against the dollar at $1.20, went to .77 cents, then to $1.38, and now it’s on its way back down. The happy medium is typically right in the middle of all that. Right now where the dollar sits with the euro isn’t in a good spot, but it’s better than it was three months ago, and three months from now we’ll see where it is again.”

The evidence would indicate that there is not a crisis yet. Heaton notes the Bush administration is beginning to address the relevant issues, although not to everyone’s satisfaction. But what is the future of the dollar? Will it continue to dominate or will it head into a free fall?

“It’s hard to forecast the future,” Radebaugh responds. “If the dollar continues to slide, at some point people who are buying treasury bills may decide they would rather invest somewhere else. What would that lead to? The stock market could drop, but the government still would need money. The only way to get that is through treasury bills, so the Fed would have to raise interest rates to increase the attractiveness of T-bills.”

There are other areas where unsuspecting Americans may feel the effect of a strong euro and a weak dollar. Heaton adds, “If interest rates suddenly rose significantly, you’re going to get major unemployment. That may not only affect your employment but also your ability to sell your house and buy a new one. If that nightmare scenario occurs, you’re going to feel it in your pocketbook.”

It seems likely that the dollar will continue to maintain its dominance as the world’s reserve currency—and that the United States will benefit from the dollar’s supremacy. The yen will likely continue to play a role as well, and the euro seems to be settling in for the long haul as a major currency. Nonetheless, many experts believe budget deficits do need to decline, and the trade imbalance needs to be corrected.

Heaton and Radebaugh both urge caution and restraint as those concerned with the dollar look for ways to strengthen its value. “It’s not a crisis unless something bad has happened,” Heaton says. “I think President George W. Bush has handled the situation appropriately. I get nervous anytime governments intervene in the markets, because they can distort prices. And businesses have seen the distortions created by government intervention and have started to exploit them, which creates additional problems.”

Heaton also gives the current administration credit for working behind the scenes to make adjustments in trade agreements and in other factors that affect the dollar. “There are a lot of trade negotiations going on in the background, but it’s not highly visible to the average consumer. In that sense, Bush is doing what Ronald Reagan did in the 1980s to stop the dollar’s decline.”

The dollar has certainly been through its ups and downs, which can affect Americans in ways we don’t always see. But its historic strength—and the strength of the country that stands behind it—would suggest that it will, indeed, continue its reign.

ABOUT THE AUTHOR
Jim Bell is the manager of marketing and communications for BYU Broadcasting and was the editor of BYU Today from 1983 to 1997. He is the author of two books, Marathon of Faith, co-authored with Rex and Janet Lee, and In the Strength of the Lord: The Life and Teachings of James E. Faust.

Opening image courtesy of Dave Hur, American Coin Co. Image on pg. 6 courtesy of Rust Rare Coin, Salt Lake City.
People don’t incur debt expecting it to turn into bankruptcy, endanger their financial security, or cause the loss of their home. But many people do find themselves much deeper in the hole than they ever planned—becoming, in a sense, “accidental debtors.”
While debt can be both good and bad, the key is subduing it before it turns ugly. Debt has provided the means for many to gain an education and, in turn, a livelihood. Debt provides the means to own a home. Debt also provides opportunities to create businesses, thereby improving not only one's quality of life but also the local economy. Determining whether a particular debt is good or bad is largely up to the debtor. Why did you incur the debt? For what purposes did you use the borrowed funds? What are your plans for repayment?

**ARE YOU AN ACCIDENTAL DEBTOR?**

Many years ago I counseled a telecommunications executive who was a prototypical accidental debtor, someone who realized too late how quickly debt can accumulate. His annual compensation was about $180,000, which, at the time, placed him in the top 5 percent of wage earners in the United States. He owned a nice home in the Northeast, lived a lifestyle commensurate with his earnings, and financed his children’s medical school costs. However, to achieve this standard of living, he and his spouse had incurred $950,000 of debt, more than half of it from credit cards. Annual interest payments on the credit card debt alone were roughly $100,000. This well-intentioned executive quickly learned how debt turns ugly.

Since 1990, the median income for an American household rose 11 percent (after adjusting for inflation), while median household spending jumped 30 percent, according to an analysis by Economy.com. How could the typical family afford to spend so much more than they earned? By borrowing money—median household debt outstanding rose 80 percent.

What are the warning signs of too much debt? How do you know whether you have sunk too deep? The following will help you determine if you already have or are about to incur too much debt:

- **Having a low FICO (credit) score.** FICO comes from Fair Isaac Company, which came up with the process of condensing a consumer’s credit/debt information into a number. Three-quarters of all lenders use FICO scores when considering requests for loans or credit. Lenders also use this number to determine interest rates, down spending more than your monthly income is an indication you are on the road to becoming an accidental debtor.
payments, types of mortgages available, car loan approval, and auto and homeowners insurance premiums. Factors used to calculate the score include payment history, amount owed, length of credit history, the number of credit accounts, and the mix of credit accounts. A FICO score above 660 is acceptable, above 720 is very good, and above 750 is excellent. A score below 660 is uncertain and at times considered risky. A low FICO score can be improved simply by paying current bills on time. Your report changes gradually as new information is added to bank and credit bureau files, with more weight given to recent bill-paying history. A clean record for the last two years can make a significant difference.

- Deciding to incur debt based on the answer to the question, "What is the monthly payment?" Too many large purchases are based on the answer to this seemingly simple question. When you decide to purchase something based on the monthly payment price alone, then you do not fully understand the complexities of incurring debt.

- Having a high debt-to-income ratio. The debt-to-income ratio indicates how much of your income is being used to support debt obligations. Spending more than 35 percent of your monthly income supporting debt payments, including mortgages, is an indication you are on the road to becoming an accidental debtor. Unfortunately, many have started down this path. The median monthly mortgage payment in Utah—not including real estate taxes—equaled 45.3 percent of a worker’s average monthly income in 2002, the fourth-highest level in the nation, according to the Utah Foundation.

- Living by the phrase “Buy now, pay later,” and spending future earnings to meet current needs and wants.

- Making only minimum payments on credit cards. If you cannot afford to pay more than the minimum balance, you cannot afford whatever was charged in the first place.

- Using credit cards to pay for things normally bought with cash.

- Increasing the amount of your total income that goes toward paying off debts.

- Having too many credit cards. For most people, two major credit cards are enough.

- Nearing the credit limit on your credit cards.

- Not knowing the amount owed to creditors.

- Using credit cards to pay off other debts.

- Being denied credit.

- Bouncing checks.

- Lying about spending.

- Hiding statements that indicate debt.

**I’m Not an Accidental Debtor**

If the previous statements don’t seem to apply, congratulations. You have incurred debt for the right purposes, used the proceeds wisely, and have an effective plan to pay the debt. Keep watch for any of the warning signs listed above.

**I Am an Accidental Debtor**

If you find yourself in this situation, then you have crossed the biggest hurdle yet—acknowledging that you have gotten in too deep. Ignorance may be bliss, but only until the collector begins calling.

Examine and understand what causes you to overspend. Then, promise to not repeat the mistakes. How did you become an accidental debtor in the first place? Did you consider the available credit to be disposable income? Was it a way to support a lifestyle you could not afford? Were you trying to match a lifestyle you knew as a child? Were you trying to keep up with the Joneses? Whatever the reason, you need to break your habits and, more importantly, manage your way out of debt.

**DEBT TRIAGE**

With this realization, you can begin to remedy your debt through debt triage. This process involves the following steps:

**Spend Less Than You Make**

Paying down your debt requires spending less money than you make on a consistent, long-term basis. Nothing else will get the job done.
Make a Repayment Plan
Forgive yourself and focus on repaying the debt. It's in everyone's best interest—yours and the people to whom you owe money—to get out of crisis mode and into a repayment plan you can handle.

Know Your Rights
The laws are actually on the debtor's side, although you will have to get organized to take advantage of them. By law, debt collectors cannot contact you before 8 a.m. or after 9 p.m. and cannot otherwise harass you, family members, or friends. Debtors do not face jail time, and nobody may garnish your wages without a legal proceeding. For more help in dealing with troublesome debt collectors, contact the Federal Trade Commission at 1-877-FTC-HELP or online at www.ftc.gov/bcp/conline/pubs/credit/lde.htm.

Keep a Debt Journal
Start a record of every conversation with lenders, credit bureaus, and bill collectors, whether by phone or in person. Collect names with dates and key discussion topics, including any agreements or compromises made. This journal becomes increasingly important as you manage your debt.

Opt Out
Stop the flood of credit card offers by calling 1-888-5-OPTOUT or visit optoutprescreen.com. Residents can stop the unsolicited mail for five years or permanently.

Reduce the Interest Rate
Most credit card companies charge interest rates of anywhere from 16 percent to 20 percent. Negotiate with your credit card company for a lower rate, particularly if you have been a faithful customer.

Pay Down the Balance
Pay more than the minimum balance—much more. Most, if not all, of the minimum payment goes toward interest with only the small remaining balance being used to pay down principal. Although compound interest (interest earned on itself) can work wonders for savings, it can be devastating when left unmanaged and working against you.

It's not possible to pay down credit card debt if only minimum payments are met. For example, presume you have $5,000 of credit card debt with an interest rate of 18 percent and you want to pay down this debt over a certain number of years. How much would you have to pay annually to meet the goal (presuming a flat annual payment is indexed each year based on a 3.2 percent rate of inflation)? As the table below indicates, you would need to pay roughly $900 each year, indexed for inflation, for the debt to be paid down within nine years. By paying only $500 you would never be able to pay down the debt, and the debt remaining after twenty years would be a staggering $75,935 (from the original $5,000).

Keep Track of Credit Card Purchases
Enter credit card purchases into a check register and deduct them from the checking account balance to better keep track of total monthly expenses.

Reduce Your Credit Limit
Ask your credit card company to reduce the limit on your credit card. This self-discipline prevents you from using it for additional purchases once the lower credit limit is attained.

Receive Credit Counseling
When choosing to visit a professional counselor, find out which agencies are members of the National Foundation for Credit Counseling or the Association of Independent Consumer Credit Counseling Agencies. Those are the largest and most respected networks of credit counseling agencies. After narrowing the search, check to see if complaints have been filed against them by contacting the attorney general's office, Consumer Protection Agency, or Better Business Bureau. Credit agencies are often able to reduce the debt and interest rates being applied to the remaining debt.

Secured vs. Unsecured Debt
Debt may be secured or unsecured. Secured debt allows a lender to recover specific property or assets from the borrower if payments are not made per the loan agreement. For example, mortgage debt is debt that is secured by a house. Examples of unsecured debt include credit cards and personal loans.

This security is a double-edged sword.

<table>
<thead>
<tr>
<th>BEGINNING DEBT: $5,000</th>
<th>ANNUAL INTEREST RATE: 18%</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANNUAL PAYMENT (FOR 3.2% INFLATION)</td>
<td>DEBT AFTER 20 YEARS</td>
</tr>
<tr>
<td>$900</td>
<td>$0</td>
</tr>
<tr>
<td>$800</td>
<td>$0</td>
</tr>
<tr>
<td>$700</td>
<td>$0</td>
</tr>
<tr>
<td>$600</td>
<td>$14,905</td>
</tr>
<tr>
<td>$500</td>
<td>$35,248</td>
</tr>
<tr>
<td>$400</td>
<td>$55,591</td>
</tr>
<tr>
<td>$300</td>
<td>$75,935</td>
</tr>
</tbody>
</table>
It benefits the lender by providing the confidence that the debt will be repaid in some manner (either in cash or with proceeds from the sale of the mortgaged home). It also benefits the borrower by permitting the lender to offer loans with a lower interest rate. However, it puts the “securing” asset at risk if you are unable to repay your debt. The lender may sell the home to pay down the debt in the event that payments aren’t made. Secured debt costs less, but be sure to understand the consequences when incurring or repaying debt.

**Deductible vs. Nondeductible Interest**

Some forms of interest payments are tax-deductible. The interest paid on mortgage and home equity debt, student loans, and debt where the proceeds are used for investment purposes are deductible as itemized deductions (within certain limitations and against certain types of income). Most all other types of interest payments are considered personal interest and are thereby nondeductible. All things being equal, deductible interest is preferred to nondeductible interest. For example, $100,000 can be borrowed either through a home equity line (deductible interest) or against a credit card (nondeductible interest). If the interest rate on either is 7 percent (although the credit card interest rate would likely be much higher), what is the out-of-pocket cost? Presuming that the marginal income tax rate is 30 percent, the net cost of borrowing against the equity in the home would be roughly 4.9 percent, while the net cost of borrowing against the credit card would be the original 7 percent. That’s a 2.1 percent difference in your favor. This equates to saving $2,100 each year in interest payments. Compare the 4.9 percent net cost to an 18 percent credit card interest rate and the annual savings would be about $13,100 each year in interest payments.

**Budget**

As stated earlier, paying off debt boils down to spending less money than you make on a consistent, long-term basis. It is the disciplined process of managing income and expenses, commonly referred to as creating a budget. A budget can control a family’s spending, which means having enough money to pay bills and save for retirement, vacations, and children’s education. Here’s one approach to creating a budget:

- Collect six months worth of pay stubs and expenses. Add up the income and divide by six to calculate the monthly income. Do the same with the expenses by adding six month’s worth and dividing by six.
- Evaluate the expenses and look for opportunities to economize by either reducing or forgoing certain expenses.
- Develop a monthly budget and stick to it. This requires discipline and oversight. Be sure to account for cash expenses. Try setting aside time at the end of each day to record these.
- Track your income and expenses monthly and evaluate how the plan is working. Personal financial software can make organizing your expenses easier. Tweak the budget where necessary.
- If you have a spouse and children, involve them in the planning. Come up with something fun that will keep you focused and motivated.

To summarize, let me repeat the following questions: Why do you incur debt? What is your purpose for borrowing funds? What are your plans for repaying the debt? Wise debtors will take great care to ensure that the answers to these questions keep them from becoming accidental debtors and from sinking into a quagmire of debt.

**NOTE:** This brief summary of planning ideas is for discussion purposes only. It does not contain legal, tax, investment, or insurance advice and cannot be relied upon for implementation and/or protection from penalties. Always consult with your independent attorney, tax advisor, investment manager, and insurance agent for final recommendations before changing or implementing any financial, tax, or estate planning strategy.

**ABOUT THE AUTHOR**

Timothy A. Clark is a senior vice president and regional director of the Wealth Management Consulting group of the Bank of America Private Bank. He earned his master of taxation degree from Seton Hall University, his MBA from Brigham Young University, and is a CERTIFIED FINANCIAL PLANNER®. He and his wife, Lora, and their three sons reside on Bainbridge Island, Washington.
or centuries China has fascinated Westerners, exerting its influence in culture, government, philosophy, and religion across the globe. Although many Americans associate the country with egg rolls and sweet-and-sour chicken, China is shaking off stereotypes and embracing new ideas to increase its worldwide economic strength.

Recently members of the Marriott School’s National Advisory Council, their spouses, and friends of the school, visited the People’s Republic of China to take in its sights and strengthen Marriott School ties.

The city of Xi’an rolled out the red carpet for the eighty-eight travelers and presented Dean Ned C. Hill and Elder Daryl H. Garn, counselor in the Area Presidency, with keys to the city. Dancers, drummers, and other entertainers helped celebrate the event. “I’ve never been welcomed like that in my whole life,” Hill recalls.

During the fourteen-day trip, the group also visited Shanghai, cruised up the Yangtze River, toured Beijing and the Forbidden City, walked along the Great Wall, and visited Hong Kong. Director General He Yafei of the Foreign Ministry in Beijing hosted some of the group at a state dinner. Area Presidency members John Dickson and Daryl H. Garn and President Tai Kwok Yuen of the Hong Kong Temple and their wives accompanied the NAC members on part of the tour.

Hill says the purpose of the NAC trips, no matter where they go, is the same—to build camaraderie among its members and have a wonderful time.

“The NAC is the most important group of Marriott School supporters,” he says. “They give experience, time, money, and influence and serve as an example to students on how to be successful leaders while applying gospel principles. They’re a delightful group.”
More than eight hundred people crowd BYU’s Joseph Smith Auditorium on a spring afternoon—some anxious, others curious. With the mix of chatter and upbeat music filling the room, a pep rally may seem imminent, but this gathering is a bit more cerebral in nature.

Just a few minutes after 2 p.m., BYU’s 2005 Business Plan Competition begins. The three final teams, who have trumped sixty-two other student teams, each have ten minutes to present their business plan and woo judges one last time.

The event, sponsored by the Marriott School’s Center for Entrepreneurship, has grown since its inception in 1993 to become one of the largest and most prestigious collegiate competitions in the county. More than $100,000 in cash and in-kind services are awarded to students each year. By demanding extensive preparation, the competition has helped facilitate the launch of a number of successful entrepreneurial ventures, including 2005 Business Plan Competition winner Alianza.

This spring afternoon event is not just a contest—it’s the culmination of planning, risking, mentoring, judging, imagining, and, in some cases, taking out second mortgages. These student dreamers are not only interested in creating a successful company from scratch. They also focus outward, helping consumers and businesses become more effective.

Don Livingstone, director of the Center for Entrepreneurship, explains that the practical experience students gain by participating in the competition is the best kind. “Having the entrants think through the process of starting an actual company—how am I going to get money, how am I going to make my product, how am I going to sell it, and what people do I need?” Livingstone says, “That’s education at its finest because it’s bridging the gap from the theoretical to the practical.”

The competition involves more than the final presentations in front of hundreds. Volunteers host kickoff events, arrange learning seminars, and organize the judging, as well as throw T-shirts to the audience and give away door prizes at the final event. The BPC is an educational experience for the volunteers just as much as it is for students who enter a plan. “I probably learned as much about leadership and management as I did in my MBA classes,” says Smith, who now works at Ford. “You can’t find that anywhere else in an academic setting.”

This year, MBA students enrolled in the venture capital private equity class were partnered with the finalist teams. They completed a review of each start-up to pinpoint their weak spots. This perspective was particularly helpful for student teams from outside the Marriott School.

The competition hasn’t always had such a strong emphasis—and dependence—on student volunteers. In fall 2001 Williams overhauled the then eight-year-old program,
“I probably learned as much about leadership and man-
gaining new ideas from other successful
competitions. “We set out four goals at that point,” he recalls. “We wanted a year-long
compétition, not just a single event held
during winter semester. We wanted to have
a student-run competition. We wanted
more involvement at the university level,
and we wanted more involvement with
outside professionals.”

The competition has evolved to meet
those goals and become a more intense
experience. Participants go through three
rounds of judging before a winner is
named. Sixty-five plans were entered in the
2004–2005 competition and evaluated by
experienced angel investors, entrepreneurs,
and associates from venture capital firms.
The judges donate their time—about a full
work day—to read through the plans and
pick ten semifinalists.

Semifinalists then give a ten-minute pre-
sentation and field questions from the judg-
es, who are directors of venture capital firms,
partners from private equity firms, attorneys,
and accountants. This group, who represent
nearly $5 billion in assets under manage-
ment, select the final three companies to
present at the competition’s final event.

“There’s an excitement and energy you
feel from the students in the presentation,”
reminds John Simcox, a BPC judge and
chair of the Entrepreneur Founders’ board
of directors. “The quality of the presenta-
tions and plans continues to amaze us. It’s
exciting to see the success the students take
from this experience into the world.”

2005 Competition Winners
For Livingstone, watching the competition
expand across campus is thrilling. “About
50 percent of the participants this year came
from outside the Marriott School, which is
really exciting because it shows that we are
getting entrepreneurship all across campus,”
he says.

The winning business, Alianza, illustrates
that statistic. The company is run by CEO
Brian Beutler, a history major from Orem,
Utah, and Scott Bell, the chief technology offi-
er, an accounting major from Orem, Utah.

Alianza, which offers telephone servic-
es to Mexican businesses using Voice over
Internet Protocol, is going head-to-head
with Mexico’s dominant phone company,
TelMex. But in this David-and-Goliath battle,
Alianza is using the web instead of a
slingshot. By routing calls through the
Internet, Alianza saves its customers 50–90
percent on monthly phone bills. And while
the business is gaining customers—adding
about 30 percent each month—TelMex
has said it doesn’t plan to touch Voice over
Internet Protocol in the next three years.

“Our customers tell us how much it’s
saving them. They now have a choice; they
have a valuable alternative for the first
time—that’s exciting, and that’s what gets us
going,” says Beutler, who walked away from
the final presentation with $29,000 in cash
and another $30,000 in start-up services
such as legal and accounting assistance.

“Winning still seems like a dream,” adds
Bell. “It has been a huge validation for us,
our employees, as well as potential inves-
tors. Before the competition we thought we
had a pretty good thing going; now people
with much more business experience think
we’ve got a great thing going.”

The venture developed from a telecom
company owned by Beutler’s dad. After
working as the sales and marketing vice
president, Beutler took over the company
when his dad retired. Although the compa-
y was doing well, the U.S. telephone mar-
ket was stagnant, leaving Beutler to look for
ways he could develop new opportunities.
“We knew that Voice over Internet Protocol
technology had the potential to change the
way people across the world communicate,
and nowhere was this more evident than in
Latin America,” he says.

Beutler’s dad provided the seed capital,
but it quickly became evident the opportu-
nity would require much more money than
Alianza had, so Bell and Beutler wrote a
business plan to present to potential inves-
tors. “During this process we heard about
the BYU competition,” Bell recalls. “We
thought it would be a good way to get the
word out and so we entered.”

Since winning the BPC, Alianza has
been able to secure more than $2 million in
funding. “The competition has made a
huge difference. Because of the contacts we
made through the competition, we have been
able to get the funding that we were
looking for,” Bell explains.

For Beutler, having responsibility for
Alianza is satisfying. “I love being in a start-
up business—watching the company grow
and seeing the results of our work,” Beutler
says. “I like the risks, and I like the rewards.
It’s very gratifying to know that at the end of
the day what I do directly impacts the
success or failure of the business.”

Alianza’s outreach is typical of the com-
petition’s scope. “We’re getting just amaz-
ingly different plans, and they’re not just
centered in Utah Valley—they’re in Mexico,
Southern California, and nationwide. It’s
really phenomenal,” Livingstone says.

The companies that snagged second
and third place at the 2005 competition,
PICS Auditing and Informera, are on their
way to becoming part of the national mar-
ket. PICS Auditing, which came in second,
supplies businesses with information they need to hire contractors who meet government and industry safety standards; it won $30,000 in cash and in-kind services.

Informera took third and earned $20,000 in cash and in-kind services. The company sells ad space in restaurant waiting areas on plasma televisions that display waiting lists, sports updates, news stories, trivia, and restaurant features.

### AGERMENT AS I DID IN MY MBA CLASSES.”

**After the Competition**

The Business Plan Competition has helped jumpstart a number of successful companies that have done well both in the business world and at other competitions.

For Jonathan Coon, the BPC helped turn his small contact lens business into the multimillion-dollar company 1-800-CONTACTS. He won the BPC in 1995 while pursuing his MBA degree. “This competition forces participants to put their ideas into a plan,” he says. “It’s a great experience for all entrants; they’re more likely to do something with their ideas once they’re on paper.”

1-800 CONTACTS is now the world’s largest contacts store, filling orders for more than five million customers. “I’m doing what I love and having fun,” says Coon, who announced the winners at the 2005 competition. “I can’t consider this a job.”

The BYU BPC is also becoming a springboard for other competitions. Winning the 2003 BPC was just the beginning for David Bateman. His business, Property Solutions International, Inc., went on to compete against MBAs from around the country at Fortune Small Business magazine’s first business plan competition later that year. And although he and his business partners were only undergraduates, they beat fifty-eight MBA teams from across the county to win the $50,000 cash award.

Property Solutions came out on top again in 2004 when they won $250,000 in funding from the National Institute for Entrepreneurship’s Venture Bowl, the

### BUSINESS PLAN COMPETITION WINNERS

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Founded</th>
<th>Founder(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>Alianza</td>
<td>2005</td>
<td>Brain Beutler, Scott Bell</td>
</tr>
<tr>
<td>2000</td>
<td>HealFast Corporation</td>
<td>1999</td>
<td>Blake Sands, Matt Mathison</td>
</tr>
<tr>
<td>1996</td>
<td>Jones Siding and Windows</td>
<td>1995</td>
<td>W. Garrett Jones</td>
</tr>
<tr>
<td>2004</td>
<td>Superoots USA</td>
<td>1999</td>
<td>Brant Walker</td>
</tr>
<tr>
<td>1999</td>
<td>Carpictures.com</td>
<td>1998</td>
<td>Chris Lydiksen</td>
</tr>
<tr>
<td>1995</td>
<td>1-800-LENS-NOW***</td>
<td>1994</td>
<td>Jonathan Coon</td>
</tr>
<tr>
<td>2003</td>
<td>Property Solutions, LLC*</td>
<td>2002</td>
<td>David Bateman</td>
</tr>
<tr>
<td>1998</td>
<td>1-800-Pharmacy</td>
<td>1997</td>
<td>Timothy Smith</td>
</tr>
<tr>
<td>1994</td>
<td>Cook Video Productions</td>
<td>1993</td>
<td>Ronald Cook</td>
</tr>
<tr>
<td>2001</td>
<td>Mindwire**</td>
<td>1997</td>
<td>Adoption.com</td>
</tr>
<tr>
<td>1993</td>
<td>E-Z Planner</td>
<td>1996</td>
<td>Mitchell Huhem</td>
</tr>
</tbody>
</table>

* Now Property Solutions International, Inc. ** Now MWI
*** Now 1-800-CONTACTS
nation’s largest college business plan competition; more than three hundred teams from national graduate and doctoral programs competed. “Winning the competitions gave us confidence that other people believed in our idea. It gave us a lot of publicity and introduced us to investors and vendors,” Bateman says.

One month after winning BYU’s competition, Alianza, also an undergraduate team, attended the Global MOOT CORP Competition in Austin, Texas. Forty teams of MBA students competed from top schools around the world, and Alianza placed in the top eight and earned its division’s Outstanding Business Plan Award.

“The fact that we can compete on that level, undergrads versus MBAs, says a lot for our students,” says Melinda Maughan, program assistant for the Center for Entrepreneurship.

“Our students are incredible presenters; some of that can be attributed to mission experience. Our academic programs are strong, and the BYU competition is probably one of the best in the country at preparing students and developing their business plan writing and presentation skills,” Williams says.

Business Plan Competition winners form a distinguished group—many go on to do great things and together they support one another. “Winners of past competitions have bent over backwards to help me build my business. They’ve helped me find investors; they’ve gone out of their way to meet with me and help me solve problems,” Bateman explains. “It’s really cool to see the support competitors receive makes a lasting impression. “One of the greatest lessons we learned was that we have been extremely blessed by BYU alumni giving back to the school,” Bell says. “We have an obligation to give back to BYU what we have been given—guidance, friendship, advice, and mentoring from people we trust and share values with.”

A VALIDATING EXPERIENCE

“Probably the biggest effect has been enabling us to network with the right people,” Beutler explains. “Before the competition, people didn’t always take Alianza seriously because they look at me, a twenty-five-year-old, starting an international business concept. “I know my plan is now worthy to show an angel investor,” she says. “Some people enter only for the money, but this is my heart and soul, and the competition helped me refine my ideas and strengthen the concept.”

Anderson says Princess Sweet will help kids pretend, a concept she’s studied while a theatre and media arts graduate student. Her thesis research suggests the more children pretend, the more creative they’ll be. Pretending contributes to their creative thought, reading, writing, and problem-solving ability, she says.

Through her experiences, Anderson has gained confidence in her business concept. “I know my plan is now worthy to show an angel investor,” she says. “Some people enter only for the money, but this is my heart and soul, and the competition helped me refine my ideas and strengthen the concept.”

Anderson’s magic isn’t going to end at midnight or anytime soon. Amid wrapping up her thesis, Anderson is tracking down investors to turn Princess Sweet into a reality. She hopes to open her first store six months after finalizing funding.

“THIS COMPETITION FORCES PARTICIPANTS TO PUT THEIR

COMPETITIONS REAP SWEET REWARDS

Wife, mother, and graduate student Kelly Anderson knows that it takes more than a magic wand to launch a business. But with a strong idea, a little mentoring, and some royal opportunities, she’s transformed herself into an entrepreneur.

Anderson is in the process of creating Princess Sweet, a retail experience store with a princess theme, similar to Build-a-Bear stores. Her business plan has excelled in a number of competitions. Early last April she attended the Babcock Elevator Pitch Competition at Wake Forest University in North Carolina. Seventy MBA teams from across the nation applied for the competition and twenty-five were selected to compete in the semifinals.

At the competition, participants had two minutes to present their plans to venture capitalists while in an elevator as it ascended twenty-eight floors. The competition also included a twenty-minute presentation. Anderson’s compelling pitch and proposal was named—make that crowned—the second-place winner.

“Before this experience I don’t think I would have considered myself an entrepreneur,” says Anderson, who also placed 12th out of 160 teams at a business plan competition hosted by Rice University. “I do have a nonprofit organization for Bulgarian orphans, but a nonprofit is so different from a commercial business. Raising money for orphans is a little bit easier.”

When Anderson started formulating the idea for Princess Sweet, she approached the Center for Entrepreneurship and was advised to write a business plan. “It sounded so hard and scary,” she recalls. Despite her fears, Anderson created a two-page pitch and won third place in the BYU Elevator Pitch Competition. Encouraged to keep writing, she drafted a full business plan in two days and was a top-ten finalist at this year’s BYU Business Plan Competition.

“I would encourage people who have an idea to attend the Center for Entrepreneurship’s activities; there are great lectures and contests, and being around that energy helps you realize, ‘I can do this,’” Anderson says. “You know what you need to do long term, but you usually don’t know what your next step is.”

As a mom to a five-year-old boy and a one-year-old girl, Anderson looks to her kids for inspiration. “My children give me ideas and are excited about my store and want to be a part of it,” she says.

Anderson says Princess Sweet will help kids pretend, a concept she’s studied while a theatre and media arts graduate student. Her thesis research suggests the more children pretend, the more creative they’ll be. Pretending contributes to their creative thought, reading, writing, and problem-solving ability, she says.

Through her experiences, Anderson has gained confidence in her business concept. “I know my plan is now worthy to show an angel investor,” she says. “Some people enter only for the money, but this is my heart and soul, and the competition helped me refine my ideas and strengthen the concept.”

Anderson’s magic isn’t going to end at midnight or anytime soon. Amid wrapping up her thesis, Anderson is tracking down investors to turn Princess Sweet into a reality. She hopes to open her first store six months after finalizing funding.
corporation, who’s looking for millions of dollars, and they wonder if it’s credible.”

The competition helps fulfill the Center for Entrepreneurship’s goal of encouraging students to start businesses. “As more and more students enroll in entrepreneurship classes and get competition exposure, they get a vision of what can be,” Livingstone says. “If we help launch twenty-five companies a year, it’s a great thing. Our primary focus is helping students.”

“Helping students intrinsically makes the school better because the better students you have coming out of the school the better the school will get,” Beutler says. “The best way it helps us is by opening our eyes, helping us realize our own potential.”

“A lot of the students who make it into the semifinal round, continue with their business even if they don’t make it to the finals,” Maughan says. “They learn how to give better presentations and how to answer questions from investors, so it prepares them for real-world experience.”

The competition also strengthens the school’s entrepreneurship program. In the April 2005 Entrepreneur magazine, BYU appears in the top thirteen regional programs in the country.

Being an entrepreneur is a lifestyle Livingstone readily endorses, and that’s why he and the Center for Entrepreneurship promote the Business Plan Competition and create opportunities for students to learn. “Wonderful things can happen,” Livingstone says. “You can have financial and job security that isn’t dependent on the fortunes of a large employer. Because successful entrepreneurs have a great deal of confidence, they aren’t going to get rocked by reverses. Every entrepreneur has reverses somewhere along the trail, but they don’t let that deter them from their goals.”

With the proven success the BPC has garnered on the national stage and in creating new companies, BYU’s competition will continue to launch new ideas. “We have a very legitimate process,” Williams says. “The students are mentored well through the writing, judging, and presenting process. All of it combines as kind of the secret sauce that makes it work for us.”

IDEAS INTO A PLAN.”
PRINCIPLES OF LEADERSHIP

SPEECH BY MARK H. WILLES  ILLUSTRATED BY DAVE CUTLER
When we think about principles of leadership, some things work quite consistently across many organizations with widely different objectives, cultures, communities, and people. These principles work because they’re fundamental and simple—therefore you may have a tendency to dismiss them. May I suggest that you think hard about them? My guess is you’ll find at least one where you might be able to do something a little differently.

**Principle 1: Leaders Must Lead**

Leadership is not a function of title or responsibility; leadership is a function of doing what leaders do—cause other people to be more effective.

When I was president of General Mills, we had five different businesses; one was the restaurant business. One weekend the head of the restaurant division and I inspected our Olive Garden in California. The idea of Olive Garden is to have a wonderful, friendly environment where you’re greeted at the door; the hot food is hot, the cold food is cold, the service is wonderful, and you have a great experience for about $10 per person.

One Friday night about 5:30 p.m. we walked up to one of our restaurants; nobody greeted us. An Olive Garden on Friday at 5:30 p.m. ought to be basically full; by 6 p.m. there ought to be an hour wait, and by 6:30 p.m. there ought to be a two-hour wait. The restaurant was almost deserted. We waited until finally somebody came out and said, “Can I help you?” We were led to a table—the only table where the gorgeous California sun was right in our eyes. We pointed that out and they said, “We’ll be happy to take care of that.” Sure enough, thirty minutes later somebody came and pulled the shades down.

We waited forever for a server; the hot food was not hot, the cold food was not cold, and there was lettuce on the floor. It was the worst experience I’d ever had in any restaurant. The head of the restaurant division could tell I was really getting quite excited at this point. He asked to speak with the manager. The server said,
“He’s not here tonight.” In the restaurant business on a Friday night the manager is always there. He asked for the assistant manager. About six minutes later—instead of thirty seconds later—somebody walks in. The head of the restaurant division explains to him the lettuce on the floor, the hot food is not hot … and the assistant manager is looking off in space. It was awful. As we walked out the door I said, “You’ve always told me how responsive this business is to leadership; we’re going to come back in thirty days, and I want to see what you can do with this restaurant.”

We went back in twenty-eight days to give them a little surprise. We walked up to the door about 5:30 p.m.; the door flew open and somebody said, “Welcome to the Olive Garden.” The restaurant was full; the hot food was hot, the cold food was cold, and we had a fantastic experience.

After we finished, I called the new restaurant manager over and said, “My guess is you probably have about 120 employees in this restaurant.”

He said, “Yes, we have 125.”

“Out of that 125, how many of those employees did you have to fire to get this dramatic change in performance?” I asked.

Do you know what his answer was? One. All the rest was leadership. It wasn’t that the employees couldn’t do the job—the employees hadn’t been trained effectively or held accountable. We changed the manager, and because he was an effective leader he completely changed the restaurant’s performance. It was all a function of leadership.

PRINCIPLE 2: LEADERS FOCUS

My grandfather was one of the early druggists in the Salt Lake Valley. At times he would get a little bored being a druggist and thought if he could make some good investments he could live off his investment income.

One day a stock broker came to town with his portfolio. He said to my grandfather, “I have two stocks for you today, both companies are starting up in Atlanta, Georgia. One is called Coca-Cola and the other Wynola. Which would you like to buy?” Guess which one he bought. If I had made that single decision differently I’d have so much money I wouldn’t have to work. He never made a successful investment; thank heavens he was a good druggist. When I first went to Columbia, I thought I wanted to be a physicist. But, I found I didn’t have the aptitude to be a physicist—the math was too hard for me. If you want to be an effective leader you have to find out what you’re good at and do that, even if it’s not necessarily what you want to do.

Leaders also need to make sure their companies focus. When I was the chief financial officer at General Mills, we were in five different businesses: packaged food, restaurants, toys, specialty retailing, and fashion. The CEO wanted a sixth business to go into. We decided to analyze our businesses and screen about five thousand publicly traded companies to see who measured up to our criteria for performance. We wanted a return on equity of at least 19 percent; we wanted to grow our earnings at a compound rate of at least 10 percent; and the companies needed to be worth at least half a billion dollars. When we screened out those that didn’t meet our financial criteria, there were only one hundred publicly traded companies performing as well as we expected. There were about five companies that were in five or more business segments. However, most of the high-performing companies were in only one or two business segments. I went back to the CEO and said, “I’m not sure we want a sixth. Maybe we’ve got too many. After a series of discussions he agreed, and we decided to focus on packaged foods. The results at General Mills dramatically improved when we focused where we were best.

The 1990s was a period of companies making acquisitions. I think this decade will be just the opposite. A lot of the acquisitions that were made in the 1990s are starting to be undone. As a leader, you not only have to focus on what you do best, but your organization has to focus on what it does best.

PRINCIPLE 3: LEADERS SET HIGH STANDARDS

It is not a coincidence that the Savior said, “Be ye therefore perfect, even as your Father in heaven is perfect.” We look at that standard and say, “That’s impossible; we can’t do it, we fall so far short.” Some get discouraged. But others say, “If I am going to approach that goal I have to make some dramatic changes.”

For those of you who served missions, you understand the enormous change that takes place when somebody joins the Lord’s Church. That’s part of the power of setting high standards. If you set them high enough, you can no longer do things the way you’re now doing them. Therefore you have to create ways to close the gap between where you are and where you want to be.

Before I left General Mills, one manager was responsible for all of our manufacturing plants. When we changed from one product or size to another on a production line, it took about three hours.

NOBODY IS SMART ENOUGH OR HAS ENOUGH TIME TO DO EVERYTHING BY THEMSELVES. . . . YOU HAVE TO FIND A WAY TO EMPower OTHERS TO HELP YOU ACCOMPLish YOUR OBJECTIVES.

When you multiply that by the number of line changes we would make during a year, it turned out to be a very large number. The manager went to his people and said the new standard would be ten minutes. He said, “I know you think I’m crazy, but you’re going to figure out how to do it.”

One thing they did was visit a NASCAR racing track. Have you ever seen what happens when the cars come into the pits? The wheels come off, the gas goes in, and the wheels go on—all within thirty seconds. They recorded what happens in a NASCAR pit and asked, “What’s going on there that we can learn from?” By the time
I left General Mills, the changeover on the first line was completed in eleven minutes. It went from three hours to eleven minutes because they completely rethought what they were going to do and did it differently.

When I was in Los Angeles at Times Mirror, we put together a reading program. If kids don’t learn how to read by the third grade they basically never catch up. They are much more likely to go on drugs, much more likely to go to prison, and are not going to get a good job. A huge percentage of the students in the greater Los Angeles area were not reading at grade level. We saw a disaster coming.

As part of that reading program, I visited a school in Los Angeles that was so poor that the school provides lunch for most students. English was a second language for 85 percent of the children. But not only were they reading at grade level, most of them were reading at grade level in at least two languages, and some were reading at grade level in three languages. It was an outlier from all of the other schools.

I spent one morning there, talking with the principal. I asked, “How do you do this?” He said, “Before the school year starts we bring all of the parents in and we sit them down. I stand up on the stage and say, ‘You’re special. I know you’re special because you wanted to provide greater opportunities for your children. You have courage and strength. I admire you. Because I know you’re special, I know your children are special and that means the standards for your children are high. If your children don’t perform up to this level, we’re going to call you and have you help us help them do what they need to do to be good students.’"

That’s exactly what happened. The standard was so high he had to do things differently than everybody else, and it worked. It was a miracle. If you set the standards high enough, it forces you to find a creative way to accomplish them.

**PRINCIPLE 4: LEADERS EMPower OTHERS**

Nobody is smart enough or has enough time to do everything by themselves. No matter the organization’s size, you have to find a way to empower others to help you accomplish your objectives. It’s amazing how many organizations have policies or practices that get in the way of people doing the very best they could.

The best story I ever heard on that was from a European businessman. He said that when he was in East Germany attending a dinner, one of the East German officials came two hours late. The official was perspiring; he’d obviously had a very frustrating day and was asked what was wrong. He said, “In East Germany we decided some years ago that decisions about energy were too important to be left to ordinary people, so we centralized every decision we could. For example, if we would build a new apartment complex there would be one power plant and one thermostat or one control in that power plant. In your own apartment you had no control over whether you were hot or cold. When the wall came down, people started leaving, including engineers. In one very large housing complex where they had one control for the heat, the engineer had left. Everything was fine when it was cold, but it was getting very warm and nobody knew how to turn off the heat.” The official had spent a frustrating day trying to find someone who could turn the heat down in this complex.

My European business associate heard that story and said, “How silly. What a stupid thing to do.” And then he said, “I wonder how many policies in my own organization are just as stupid? How many times have we said, ‘That decision is too important to leave to somebody else?’” He found his company was full of policies, procedures, and practices that kept people from making responsible and responsive decisions. Look at your organization; look at your own environment. I guarantee you’ll find some areas where you can empower others.
IF A LEADER IS TO RETAIN THE MORAL CAPACITY TO LEAD, HE OR SHE CAN NEVER COMPROMISE, EVEN ON THE SMALL THINGS, BECAUSE SMALL THINGS HAVE A WAY OF BECOMING VERY LARGE.

PRINCIPLE 5: LEADERS KINDLE PASSION
People will work for money, but they’ll die for a cause. Organizations are most effective when they get people to believe equally and emotionally in their causes. Why is it that around the world we have fifty thousand people who have left friends and family to serve missions? They do it because they believe deeply. Why will journalists risk their lives to get a story? Why will they go into war zones and run all the risk they do? Because they believe in the cause.

During World War II there was a shipyard in California called the Keiser Shipyard. When the war started it took six months to build a ship. Employees saw their friends, neighbors, and family members dying in the war and decided to do better. It was not the management—it was the employees who figured out how to do it. By the end of the war, a ship was rolling off the line every six days. You’re never going to be as great as you can possibly be unless you find a way to help those involved feel deeply for what you are doing.

PRINCIPLE 6: IN MATTERS OF ETHICS, LITTLE THINGS MATTER A LOT
One of the most disappointing things to me has been the rash of stories of unethical management. It is astounding how many business leaders are going, or ought to be going, to prison. It is a black mark on capitalism. Now I know you’re sitting there saying, “I wouldn’t do it. I’d never steal; I’d never lie on a financial statement.” Can I tell you one little story as a caution to be careful?

After working at the Federal Reserve Bank in Philadelphia for two weeks, I met an FBI agent who said he believed somebody was stealing money from my vault. I didn’t even know where the vault was at that point. I called in the vice president, who claimed it could not happen.

Two weeks later that same FBI agent walked out of our office to the federal courthouse with ten of our employees who had stolen $1.7 million in cash. All but one of those arrested were between the ages of nineteen and twenty-six. They were clean-cut and came from good families. They looked like they would never take a nickel, but collectively they had stolen $1.7 million.

It started as a lark. Two of these kids worked in the vault where they used a machine to count coins; the coins would be placed on a scale to make sure they were within a certain tolerance. One day they said to themselves, “I wonder how accurate that scale is. I wonder if we could take one quarter and not have it miss.” They ran the mechanical count, slipped one quarter out, put the bag on the scale, and the bag weighed within tolerance. They stitched up the bag and said, “If we take one more quarter we can have ice cream for lunch.” So they took 50 cents, bought ice cream, and thought it was really funny. The problem, however, was someone saw them; he was older, and he did not have a good heart. He went to them and said, “I saw what you did, and if you don’t cooperate with me I’m going to turn you in. You’re going to lose your job and reputation.” Reluctantly they agreed. Before they knew it, they were sucked in so far that they were marched over to the jailhouse, and it all started with a quarter.

In ethics, if a leader is to retain the moral capacity to lead, he or she can never compromise, even on the small things, because small things have a way of becoming very large.

PRINCIPLE 7: ALWAYS GIVE MORE THAN EXPECTED
Think about it. If you tell your spouse you’ll be home in fifteen minutes and you get home in ten, he or she is very happily surprised. But if you tell your spouse you’ll be home in fifteen minutes and you get home in thirty, he or she is steaming. If you promise the delivery of a product in four days and it gets there in three, you have a very happy customer; if you promise delivery in four days and it gets there in seven, they’re very unhappy. In a restaurant if you promised that there will be bread on the table within five minutes and it’s there on time, they feel like they’ve had a wonderful experience. If it takes seven minutes, only two minutes longer, it’s one of the most agonizing experiences. It makes a difference if you can exceed expectations.

The best way I know how to consistently exceed expectations for your customers, employees, or investors is to do the things I’ve talked about. Lead, stay focused on what you and your organization do best, set high standards, empower others, give others a reason to believe deeply in what you and they are doing, never compromise your standards, and give more than expected. I have great confidence that you can do it.

ABOUT THE SPEAKER
Mark H. Willes earned his AB degree from Columbia College, New York City, and his PhD from the Columbia Graduate School of Business. Willes presided over the Hawaii Honolulu Mission from 2001 to 2004. He serves on BYU’s Executive Committee of the President’s Leadership Council and is a member of the Marriott School’s National Advisory Council. He serves as chairman of the board for the Polynesian Cultural Center in Laie, Hawaii, and as chairman of the President’s Leadership Council Hawaii for the PCC and BYU–Hawaii. He is also a director of Black & Decker Corporation.

Willes retired as chairman, president, and CEO of the Times Mirror Company in April 2000. Prior to joining Times Mirror, Willes was vice chairman of General Mills, Inc. A fifteen-year veteran of the company, he served as president and chief operating officer from 1985 to 1992. He also was first vice president of the Federal Reserve Bank of Philadelphia from 1971 to 1977 and president of the Federal Reserve Bank of Minneapolis from 1977 to 1980.

This article is adapted from Willes’ speech given at the Marriott School Management Conference 23 June 2005.
The Marriott School was named one of the best collegiate entrepreneurship programs in the United States in the April 2005 issue of Entrepreneur magazine. BYU appears in the first tier (thirteen schools) of the top fifty regional programs in the country.

“This honor is one of many external validations of what we are teaching here,” says Donald Livingston, director of the Center for Entrepreneurship. “We have a lot of entrepreneurial activity here on campus. Many of our student teams have gone on to receive national recognition in other competitions.”

This is the third year Entrepreneur has ranked programs at U.S. colleges and universities and the second time the Marriott School has been included.

A recent study conducted at the University of Arizona showed that entrepreneurship students start more companies and are more successful than other students. Sales and employment growth of companies owned by or employing entrepreneurship graduates were more than five times the rate of other firms. In addition, entrepreneurship graduates working in large firms earn, on average, $23,000 a year more than non-entrepreneurship business graduates.

A full ranking report is available in the April issue of Entrepreneur magazine and online at www.entrepreneur.com/topcolleges.

New Department Chair Named for Organizational Leadership and Strategy

Associate Professor Gerry Sanders succeeded Michael Thompson as chair of the Organizational Leadership and Strategy Department. His three-year appointment began 1 May 2005.

BYU’s business and law schools are among the top fifty in the United States, reports U.S. News & World Report in its April 2005 “America’s Best Graduate Schools” issue. The J. Reuben Clark Law School is ranked thirty-fifth, and the Marriott School is ranked fortieth.

Although no ranking system fully comprehends all the factors that reflect the quality of a legal education, we are pleased to be recognized once again for the strength of our program based upon the criteria used by U.S. News & World Report,” said Kevin Worthen, dean of the law school.

That was also the sentiment shared by Ned C. Hill, dean of the Marriott School, which saw its graduate accounting specialty ranked twelfth.

“We’re gratified by the recognition this ranking brings to our students and to the university,” Hill says. “Even so, the most important measure of our success remains the development of men and women of faith, character, and professional ability.”

U.S. News ranks graduate programs in the areas of business, education, engineering,
law, and medicine. These rankings are based on two types of data: expert opinion about program quality and statistical indicators that measure the quality of a school’s faculty, research, and students. Indicator and opinion data come from surveys of more than one thousand programs and nearly 9,600 academics and other professionals conducted in fall 2004. The magazine also ranks programs in the sciences, social sciences, and humanities based solely on the ratings of academic experts.

**Romney Institute Renews Its Accreditation**

The Marriott School’s MPA program received another stamp of approval after completing its reaccreditation process last year. Of eligible programs, only 14 percent have been accredited by the National Association of Schools of Public Affairs and Administration (NASPAA). Those numbers are growing, however, because schools recognize the benefits.

“Being an accredited program helps our graduates in job placement, and it helps attract good students,” says Gary Cornia, chair of the Romney Institute.

Although the Marriott School’s MPA program has been accredited since its inception, it must renew that status about every seven years. The association’s accreditation is valid until 2011.

To become accredited, programs must document their curriculum, admission processes, student services, faculty qualifications, program diversity, and alumni relations. The association reviews each report, identifies concerns, and makes on-site visits. Then they decide whether or not to reaccredit.

“The accreditation process gives us a chance to look at what we’re doing from the outside,” Cornia says. “We learn where we can make some adjustments and what we’re doing right.”

**Centers Focus on Building Self-Reliance**

The Rollins eBusiness Center and the Center for Economic Self-Reliance welcomed practitioners, researchers, and donors from all over the country to the Economic Self-Reliance Conference and eBusiness Day on 10–12 March. Stephen R. Covey and leaders of microenterprise, microfranchise, and microfinance discussed ways to build economically self-reliant families.

“Our goal this year was to educate, enthuse, and empower every individual and move them to action, to a greater good,” says Brent Dance, an undergrad management major from Fall City, Washington, and event organizer.

The conference also focused on how technology can be used to develop third-world countries. Speakers included Patrick Crompton, of FINCA International; Jen Boehme, of HELP International; Lisa Jones, of University of North Carolina; Arthur Jue, of Hyperion Solutions; and Peter Bladin, of Grameen Tech Center.

Conference participants and students were invited to attend a keynote speech by Covey on his new book, *The Eighth Habit: From Effectiveness to Greatness*. Covey’s book discusses the advantages of moving beyond the industrial age, making people, instead of products, the heart of a corporation.

“The knowledge worker approach is the belief that people possess enormous potential inside them that has not yet been tapped,” he said.

As people’s abilities are optimized, individuals and organizations become more self-reliant, Covey said, and productivity will increase fifty times what it was in the industrial age. “You do not manage people,” he said. “You manage things. You empower people.”

As people optimize their capacity and gain a vision of what they can be, they find what Covey calls their “voice.” Finding one’s voice and helping others to find theirs is the eighth habit. Covey believes this habit is at the center of greatness for individuals, leaders, and organizations.

**School of Accountancy and Information Systems Separates**

The Marriott School announced the division of the School of Accountancy and Information Systems into the School of Accountancy and the Information Systems Department. The change resulted from numerous discussions among BYU faculty and administration.

The School of Accountancy started in 1976, when it was first named the Institute of Public Finance. The program’s graduates currently work in forty-eight states and some twenty-five countries. “These alumni represent the real strength of the Romney Institute,” says Gary Cornia, institute director. “They are the ones who on a daily basis work to improve the lives of citizens and organizations. They are the example for the next forty years of students who will enter to learn and go forth to serve.”

The institute was named in 1998 for the late three-term governor of Michigan, George W. Romney, who was known as the father of volunteerism in America. Romney also served as the U.S. Secretary of Housing and Urban Development and as president of American Motors. The Romney Institute combines BYU’s vision with Romney’s legacy of public service, volunteerism, and the highest standards of personal integrity.

**MPA Program Celebrates Forty Years**

This year the George W. Romney Institute of Public Management celebrated its fortieth graduating class. The school was one of the first accredited by the National Association of Schools of Public Affairs and Administration, which makes it one of the oldest programs in the country.

Stewart L. Grow, the program’s founder, emphasized the importance of acquiring knowledge to better serve mankind. That emphasis continues today. The program blends policy theory with practical management skills. Grow’s slogan, conceived for the MPA program in 1965, “Enter to learn, go forth to serve,” garnered university-wide acceptance and is now displayed at the campus’ west entrance.

The program’s graduates currently work in forty-eight states and some twenty-five countries. “These alumni represent the real strength of the Romney Institute,” says Gary Cornia, institute director. “They are the ones who on a daily basis work to improve the lives of citizens and organizations. They are the example for the next forty years of students who will enter to learn and go forth to serve.”
of Professional Accountancy. Then, in 1990, some faculty from the Information Management Department joined the school to consolidate the faculty and form a nucleus for program development.

Kevin Stocks, the W. Steve Albrecht Professor, will continue as the director of the School of Accountancy. Marshall Romney, the John W. and Nancy S. Hardy Professor of Information Systems, will chair the new Information Systems Department.

“In the long run, we anticipate that this change will allow each area to better focus on its particular program and enhance the status of all programs,” Stocks says.

Though the programs are separating, neither will change its focus. Introductory courses are the same in both specialties, but beyond that most classes are already separate except for some graduate electives.

CEOs Nominate BYU as Top Recruiting School

The Marriott School has caught the eye of CEOs, according to a new poll by Chief Executive magazine. The survey, released in the publication’s July 2005 issue, asked magazine subscribers to name their top ten business school programs from BusinessWeek’s top twenty-five b-schools. However, the 477 respondents didn’t limit views to the likes of Wharton, Sloan, and Columbia. They also nominated BYU along with a few other business programs.

“I wasn’t surprised that CEOs nominated many universities outside of the BusinessWeek twenty-five,” says William Holstein, the magazine’s editor in chief. The traditional leaders “have big status, but they aren’t particularly user friendly and real-world oriented. I suspect that many CEOs have a preference for dealing with the universities they attended and also want to work with local institutions.”

This was the magazine’s first business school poll, which was emailed to subscribers. Twenty schools made the list.

Governor Jon Huntsman Jr. Speaks at eBusiness Day

Utah Governor Jon Huntsman Jr. addressed faculty, students, advisory board members, and guests at the Rollins eBusiness Center’s eBusiness Day on 31 March. Huntsman discussed Utah’s economic situation and business future.

Huntsman also spoke about changes the state has made since his grandfather was a school teacher in Fillmore, Utah, when the marketplace was monolingual and ethnocentric.

Today, Huntsman said, the marketplace is more diverse with a variety of ethnicities and evolving technologies.

“Our economic world today is not main street or even New York to San Francisco,” Huntsman said. “It’s somewhere between Tokyo, Japan, and Frankfurt, Germany, with a whole lot of interlocking and complex relationships that control our destiny and determine our standard of living and the value of our currency.”

Huntsman said that due to increased innovation and communication, educators have to work harder to prepare the business leaders of tomorrow. Huntsman has spoken at many schools in the state to help educators prepare the next generation for what he calls “21st century realities.” Part of this preparation will be expanding students’ knowledge of languages and cultures.

“The emerging generation will need to be fluent in Chinese, Hindi, Arabic, and Japanese,” Huntsman said. “We have to ask ourselves what we are doing to prepare them for that.”

He also said that cultural diversity in Utah business has grown, with many foreign-based companies moving to Utah, bringing more international business. However, Huntsman thinks one of the biggest factors to Utah’s economic success has been its spirit of entrepreneurship.

“What I’m interested in is ensuring that not only are we preparing the next generation for the realities that lie ahead but that we are also protecting entrepreneurship for the future,” Huntsman said. “Entrepreneurship is one of the greatest weapons in our arsenal as a country.”

Utah’s entrepreneurs are a great asset to economic growth—bringing employment and business into the state, Huntsman said. “We owe a lot to entrepreneurs: the men or women who decide to take a risk and gamble everything they’ve got to participate and compete in the free market. I’ve never seen anything like it anywhere else in the world.”

As the world becomes faster, brighter, and more competitive, Huntsman admonished business leaders to cultivate service and compassion in their lives. “Let us not forget that with our advancement technologically, financially, and educationally we can never turn our backs on the half of the population in the world who still exist on $2 a day.”

About eight hundred students representing eighty-eight U.S. schools attended this year’s conference.

Robert Turner, an information systems management major from Lehi, Utah, and Slawomir Bialkiewicz, a management major from Slaskie, Poland, took first place, and Kurt Kirkham, a management major from Pittsburgh, Texas, and Carl Anderson, an information systems major from Corinne, Utah, received second in database design. Bialkiewicz, Kirkham, Turner, and Taylor Wells, a management major from Gig Harbor, Washington, also received honorable mentions for their system analysis and design.

“We selected the team a month before—
During the three-day conference, events were scheduled from 8 a.m. to 11 p.m. Each competition lasted three to four hours and focused on database design and systems analysis design, web design, Java programming, network design, and Visual Studio. When not competing, students interacted with peers, attended seminars by information technology professionals, and networked with recruiters from companies nationwide.

“Teams are given a problem. During the next three hours they come up with a solution and implement the solution in either web design, database design, or Java programming,” explains Robert Jackson, assistant professor of information systems.

The conference was sponsored by the Association for Information Technology Professionals. During the conference a career fair offered students numerous job interviews, internships, and job opportunities with leading industry organizations. BYU teams have competed at the NCC since 2003.

Marriott School Announces 2005 Merrill J. Bateman Award Winners

Marriott School students selected two of their classmates and a professor to receive the 2005 Merrill J. Bateman Awards—the only school-wide awards selected entirely by students.

Julie Dougall, a MAcc grad from Portland, Oregon, and Brian Crapo, a finance major from Idaho Falls, Idaho, received the Merrill J. Bateman Outstanding Student Awards. Professor Ray D. Nelson received the Merrill J. Bateman Student Choice Award.

The Merrill J. Bateman Outstanding Student Awards are based on community service, student leadership, and extracurricular involvement. The Merrill J. Bateman Student Choice Award is given to a faculty member, staff member, or administrator who has demonstrated outstanding efforts to assist and enhance students’ experiences at the Marriott School. The awards, now in their fourth year, recognize mentoring, involvement in student activities, and exemplary leadership.

Dougall was the 2004–2005 president of Beta Alpha Psi, an international organization for financial information students and professionals, and oversaw one of the largest IRS-sponsored volunteer income tax assistance programs in the nation. She was also president of the Accounting Club for two years and represented BYU on one of the top xTAX competition teams.

Crapo was president of the Management Society BYU Undergraduate chapter and Undergraduate Student Council. He focused his efforts on improving student leadership opportunities for undergraduates in the school. He initiated the creation of the Marriott School Undergraduate Student Association to serve the unique needs of undergraduate students.

Nelson, an associate professor of managerial economics, earned his PhD in 1981 from the University of California, Berkeley. He came to BYU in 1985 and teaches courses in managerial economics and forecasting. He has also taught for the Department of Agricultural Economics at the University of California, Davis, and was assistant economist at the Giannini Foundation. His recent publications deal with agricultural economics and futures market.

Students Take Home Prizes at Web Solutions Competition

The Marriott School held its fifth Web Solutions Competition 31 March. Three final teams were selected from a total of thirteen. The teams spent hours constructing and polishing professional-quality web sites for sponsoring company Strategic Vision. Finalists presented their web sites to a panel of representatives from Strategic Vision as well as seasoned web design professionals.

The Web Solutions Competition gives student designers an opportunity to test their abilities with real companies. The winning team received a cash prize, and their site became the corporation’s official web site. The sponsoring corporation also benefited by receiving a professional web site at an affordable rate.

“The purpose of the Web Solutions Competition is to give students the chance to gain experience and be publicly recognized while helping good organizations obtain a web presence,” says Ammon Shumway, a management graduate and student director for the competition.

Strategic Vision, a company of clinical psychologists and business professionals, studies why consumers make buying decisions and determines factors that drive owner satisfaction and loyalty. Company representatives awarded the $3,000 first place prize to Nick Barrett, a management major from Rochester, Minnesota, and Phillip Gossling, an accounting and information systems graduate from Snellville, Georgia. Shaun Bailey, a management grad from Las Vegas, Robert Turner, an information systems student from Lehi, Utah, and Ryan Palmer, a computer science and Russian student from Pleasant Grove, Utah, were the runners-up.

“The organizations participating in the event were highly involved and took a genuine interest in the development of the participating students,” Shumway says. “We had support from many different organizations.”

FACULTY NEWS

Professor Serves Mission in Boston

Former marketing professor Gary McKinnon and his wife, Linda, received a mission call to the Massachusetts Boston Mission. They work with President Paul Thompson, former Marriott School dean.

“We wish them every success and appreciate all they did for the Marriott School during so many years of devoted service,” says Dean Ned C. Hill.

Before retiring, McKinnon taught marketing courses at the Marriott School and directed the Executive MBA program. He was a two-time Fulbright Scholar who taught in Moldova and Portugal.

Study Describes How to Improve Public Hearings

Anybody who’s been to a public hearing knows how quickly it can either devolve into a snoozefest or explode into rancorous rigmarole.

But William Baker, a professor of organizational leadership and strategy, says it doesn’t have to be that way—his new nationwide survey of city administrators reveals the factors essential to successful public hearings.

“These meetings are complex communication events,” Baker says. “If they are treated as such, they can really allow for meaningful participation by citizens.”

Baker got the idea for the research after
Keeping Employees from Being Nabbed by Competition

Everybody knows a few employee superstars who are so good at their jobs they get poached, or lured away—often with a pay increase—to a different company or industry. But less familiar is a practice called “talent raiding,” a human resources technique that most managers don’t want to admit they actually use.

Talent raiding occurs when one company treats another like major league baseball does a farm team, regularly skimming away many of the other company’s skilled employees to boost competitive advantage, says Organizational Leadership and Strategy Professor Timothy Gardner.

“It’s a way of hiring people with the skills you need, while at the same time dealing a blow to your competition,” says Gardner, whose study on the subject appeared in the 1 April issue of the Academy of Management Journal.

“First, the threat to the victim company must be clear,” Gardner says. “Second, if a raiding company hires three chefs from a popular restaurant or four programmers from a successful software company, that’s going to be seen as a direct attack on a company’s ability to create value and will result in retaliation.”

Gardner’s study examined 661 parent software companies in the United States with fifty to fifty thousand employees. To participate, companies had to have lost two or more employees to the same company in a twelve-month period as a result of external recruiting.

Common reactions to talent raids include lawsuits, severed business relationships, or tit-for-tat raids of a competitor’s employees. In contrast, a victim company may choose to focus more on what it can do internally to decrease the effectiveness of future talent raids. Some examples include raising employee pay, improving internal communications, or requiring employees to sign non-compete agreements.

But is talent raiding unethical? Gardner says no.

“It would be illegal and unethical to hire people solely to acquire trade secrets,” says Gardner, who earned his PhD at Cornell University. “But in a capitalistic society, competition is good. We agree that it’s OK for companies to compete for customers, raw materials, or for access to natural resources. Likewise, it’s good to compete over employees. It’s good for customers; they get a better product or service. And it’s good for employees—they get paid better and get better benefits.”

Gardner’s study also provides suggestions for managers who are considering raiding employees from a rival to help them avoid corporate ire.

“Identify those factors that increase the probability of a retaliatory response,” Gardner says. “Hiring employees with valuable, transferable skills dramatically increases the likelihood of just such a reaction. Since general skills are available in the open labor market without the risk of retaliation, seek those skills through regular hiring channels.”

Companies need to come to grips with the fact that good HR departments are scanning competitors for good people and hiring them rather than waiting for them to apply, Gardner says.

“The better companies are tracking where their employees are going. Instead of saying, ‘Gosh—Sally, Joe, and Bill just got better jobs; let’s throw them a farewell party,’ managers are looking for trends and taking action against companies that may be talent raiding to better manage their workforce.”

State University sent a survey to five hundred city managers in U.S. cities with populations of 25,000 to 99,999. The city managers were asked to consider the public hearings in which they have participated and to indicate what contributed most to their success or failure. Responses came from forty-six states and were classified and categorized into a list of critical factors.

Published in the July–August issue of Public Administration Review, a top public administration journal, the study recommends that managers: carefully prepare for hearings, effectively publicize the hearing, launch the meeting well, keep things moving, pay attention, and follow up effectively after the meeting.

The most important factor is that government get citizens involved early and often in the decision making process, Baker says.

“This is the key ‘take away’ from the research. We are a government by the people, for the people, and we like to have our say,” Baker explains. “Government is obligated, by law, to ask for public input. If it will do this at the beginning and throughout the process instead of just at the end, it will get the buy-in it is looking for.”

In that spirit, public administrators should consider public hearings as only one part of an overall public-communication strategy.

“Because of the inherent limitations of public hearings, city officials should use multiple participation methods,” Baker says. “One thing that could happen is the creation of virtual neighborhood councils. Email is pervasive enough now that this could be done rather easily.”

Another key factor in the success of public hearings is the amount of public interest in the topics being discussed, Baker says.

Although participants in this research included only city administrators, Baker believes many of the conclusions and recommendations can be adapted to other government entities.

Liddle Heads eBusiness Center

Stephen W. Liddle has been appointed director of the Rollins eBusiness Center at the Marriott School. Liddle, who is an associate professor of information systems, had been leading the center on an interim basis. He replaces J. Owen Cherrington, who passed away 2 April 2005.

“We are pleased that Steve is willing to assume these responsibilities along with his heavy research and teaching load,” says Dean Ned C. Hill. “He has already done much to provide direction and energy to the center.”
Alumni Write Another Crucial Bestseller

For a crew of four jokesters, writing their second best-selling book, Crucial Confrontations, came naturally as another part of their series of materials to help people acquire skills needed to communicate effectively. Authors Joseph Grenny, Ron McMillan, Kerry Patterson, and Al Switzler credit their success to years of conducting research, practicing what they preach, and injecting humor into the stuffy world of corporate consultants.

Crucial Confrontations debuted in the eleventh spot on The New York Times bestseller list in October 2004 and rose three more spots within one month. The book was also featured on The Wall Street Journal bestseller list, Amazon.com’s business list, and was named Book of the Year by Soundview Executive Book Summaries.

The concept began at VitalSmarts, a company the four founded to train organizations to communicate effectively. Combined, they have dedicated tens of thousands of hours searching out and studying hundreds of organizations’ most effective communicators. They’ve found out it’s not exactly what you say, but how you say it.

“I’ve spent thousands of hours with management teams and supervisory teams just watching them work,” Patterson says. “We also did hundreds of hours actually going out with executives and interviewing other people and seeing how those dynamics were going on,” Switzler says.

As a group they work as equals. “We have mutual respect and we equally contribute. We divide and conquer,” Patterson says.

All four write, speak, and research effectively. Patterson says they aren’t like a rock band, each individual playing his own instrument. Instead they can all fill in for one another. This bond allowed them to be partners for twenty-five years in various combinations, despite their humble beginning in the back of a Volkswagen van eating fast food.

It is their wry sense of humor that Patterson says the world of consulting lacked. Many consultants feel they need to be “as serious as a heart attack.” Initially consultant trade publications criticized the group for poking fun at the foibles of the work place and for including family scenarios in their training. The group decided to do so because they felt having a late night confrontation with a teenager offered more practice opportunities than confronting a boss or co-worker.

Salt Lake and Utah County Chapters Name Olene Walker Distinguished Utahn

More than three hundred people—including members of the Management Society, General Authorities of The Church of Jesus Christ of Latter-day Saints, and past recipients of the Distinguished Utahn Award—packed the Church Office Building to honor former governor Olene Walker 27 April 2005.

“Governor Walker is a phenomenal individual,” says Troie Price, president of the Salt Lake Chapter. “She has been called Utah’s accidental governor, but this was not an accident. Her accomplishments are a result of her background in education, her incredible work ethic, and her unique leadership style.”

Price, along with Marc Arnoldsen, president of the Utah Valley Chapter, presented Walker with a commemorative quilted wall hanging. The quilt features several panels representing Walker’s many accomplishments as governor including the establishment of the state’s rainy day fund, development of a workforce services program, and improvement of education.

Upon receiving the award, Walker encouraged those in attendance to render service on a daily basis, no matter one’s situation. She said things that have no monetary value are what will bring lasting happiness in life.

“People generally refer to seventy-three as Walker’s age, but that’s really her mph,” Price says. “She just has a phenomenal way of being around people and making them feel comfortable.”

“She was a deserving recipient of it,” Arnoldsen says. “She was very gracious to let us recognize her.”

Not only is the Distinguished Utahn Award a time to honor and recognize leaders of industry, religion, government, and education, it is the Salt Lake and Utah County Chapters’ primary fundraising event. At the event, the Management Society raises money to fund scholarships for business students at Utah colleges and universities.

The chapters typically extend eight to ten scholarships each year. The scholarships range from $500 to $1,500 and are given to students who show exceptional leadership, give community service, and excel academically.

President James E. Faust, Elder M. Russell Ballard, and Elder Joseph B. Wirthlin attended with their wives. Also in attendance were former governors Norm Bangerter and Calvin Rampton, BYU Academic Vice President John S. Tanner, and Marriott School Associate Dean W. Steve Albrecht.

Congresswoman Heather Wilson Speaks to New Mexico Chapter

New Mexico Congresswoman Heather Wilson offered the Albuquerque Chapter insights concerning the local and national economies, military bases, health care, and national security on 29 March 2005.

“It was hard to get her to come,” says Doug
**Alum Selected as Head Coach of U.S.A. Men’s Volleyball Team**

Most MBA graduates put their degrees to use in the boardrooms of the business world. Marriott School alum Hugh McCutcheon, however, took his to the locker room and the arena of international volleyball. The former BYU men’s volleyball assistant coach recently took the job as head coach of the U.S. Olympic Men’s Volleyball Team. He replaces longtime coach Doug Beal, who became CEO of USA Volleyball.

“T’m certainly honored, humbled, and excited to have this opportunity,” McCutcheon says.

Since starting in April, the new head coach has been busy hiring and training new staff, athletic trainers, and assistant coaches, as well as trying to get members of the team—scattered across the globe—together in the gym. Many members of last year’s national team are playing volleyball in professional leagues all over the world.

McCutcheon says he takes the challenges one day at a time. “I wake up every day and ask, ‘What are we going to do to be the best team in the world today?’” he says. “You don’t take this job trying to be the fourth best team in the world, which is where the team is currently ranked; you do it to be the best. It’s a goal you can invest yourself in completely, but it can become very consuming. It takes a lot of time and mental and physical energy.”

No stranger to pressure, McCutcheon’s resume of experience stacks higher than his vertical leap. As assistant coach he helped lead the U.S.A. men’s team to the bronze medal match against Russia in the 2004 Athens Olympic Games. The New Zealand native says competing at that level is an awesome experience.

“The Olympic Games is this wonderful event for sports, the world, and humanity,” McCutcheon says. “It’s a lot of work, and it takes a lot of energy to make sure the guys and the game plans are ready. We got to the medal round, and a lot of people didn’t expect us to make it that far.”

Before working with USA Volleyball, McCutcheon coached the Vienna Hotvolleys to victory in the 2001–2002 Inter-Liga, Austrian Cup, and Austrian League championships.

While an assistant coach at BYU, the team posted a record of 138 wins and 44 losses from 1995 to 2001. BYU also won the NCAA championship twice in 2001 and 1999. It was during this time he decided to take advantage of the learning opportunities available and pursue an executive MBA.

“I decided to do an MBA after earning my MS degree in exercise science,” he says. “Because coaching can be such a fickle vocation, I decided to get a real-world learning experience. Obviously I was not a typical student. Other students would show up to class in suits and ties, and I would arrive from the gym in shorts and a T-shirt.”

The connection between coaching and business may not be obvious at first. However, McCutcheon sees some strong parallels. “They are both about trying to build successful organizations,” he says. “I really enjoyed my time at the Marriott School; I thought it was a wonderful educational experience, and it has really helped me a lot.”
CLASS NOTES

1985

With four children and posts in state and local government, James P. Behunin is finding that life can be full of many challenges. But the West Bountiful resident and BYU grad is managing just fine. During the day, he works as an audit supervisor for the Utah Legislative Auditor General, where he has been since 1985. Behunin supervises performance audits of state government agencies. He also serves on the West Bountiful, Utah, City Council since being appointed in 2002 and elected in 2004.

Behunin is a mayoral candidate for West Bountiful and is gearing up for the November 2005 elections. He earned a BA in economics from BYU in 1983 and an MBA from BYU in 1985.

After beginning a career in tax accounting, Douglas Paul Reichert became interested in information technology. He currently works as IT manager for Academy Sports & Outdoors, where he provides support and development activities for the accounting, HR, payroll, and loss prevention business units.

Reichert earned his BS in accounting from BYU in 1985. He and his wife, Vivian, reside in Spring, Texas, with their four children.

1992

Thane R. Walton recently joined ADP Retirement Services, the top provider of 401(k) plans in America, as representative for the East Bay Region in San Francisco. He serves companies with fewer than one hundred employees, helping them convert their existing 401(k) plans or set up new plans. He works directly with companies and as a wholesaler for brokers and their clients.

Before joining ADP, Walton spent thirteen years working in various financial services capacities in the Bay Area—serving as a registered representative, wholesaler, and insurance professional for MetLife, Pacific Life, and BISYS. He holds a series six and series sixty-three license.

Walton earned his BS in finance in 1992 from the Marriott School. He and his wife, Pam, live in Antioch, California, with their three boys. He is active in the community and has served as coach and assistant coach for many of his sons’ sports teams.

1995

Brent Thomas Beazer works as a district sales manager for AstraZeneca, where he leads a team of ten pharmaceutical representatives. Beazer has worked for the company for the last five years. Previously he worked as a regional trainer and a pharmaceutical rep for the company. He has also worked for UniShippers and for Ernst & Young LLP.

Beazer graduated from BYU in 1995 with a BS in accounting. He and his wife, Alexis, have four daughters and reside in Round Rock, Texas.

1996

Richard Duncan Strong is a financial analysis manager and assistant treasurer for National R. V. Holdings, a manufacturer of recreational vehicles. Strong has worked at the Perris, California, company for four years. He has held other positions previously with National R. V. Holdings and has worked for Arthur Andersen and PacifiCare.

Strong volunteers at a nursing home.

Graduate Builds Successful Civil Engineering Business

As a child, Jose Montoya worked alongside his family picking grapes in California vineyards. Today this Marriott School alum is president of M2 Group, a fast-growing, Mesa, Arizona-based civil engineering firm. Founded in 1998 by Montoya and Tom Palmer, M2 Group has grown from three employees in one location to more than ninety employees in three locations including Mexico.

“While our growth has been fostered by the strong market for residential new construction in the Phoenix metropolitan area, it is our dedication to client satisfaction that has allowed us to build a solid reputation in such a short time,” Montoya says. “Our clients trust us to provide them with the highest quality engineering product.”

Montoya’s company helps plan and direct residential and commercial expansion—creating plans for sewers, water supply lines, electrical lines, and roadways. He finds civil engineering rewarding because it allows him to directly contribute to his community.

“When I pass by project sites and tell my family, ‘I did that,’ it is a very good feeling,” Montoya says. “Engineering design can be rewarding because it reflects who you are, and the opportunity to ‘do it right’ is always in front of you.”

Montoya traces his professional success to his early fruit-picking experiences. “Picking grapes as a child helped shape who I am,” he says. “Yes, it was hard. We worked from sunup to sundown. But it was also fun because the whole family worked together. I learned that any success we earned was accomplished as a family.”

That same spirit of teamwork persists in the M2 Group as Montoya trains and encourages others. “My goal is to provide my employees with opportunities to develop and grow and also to create additional employment opportunities for talented young engineers,” says Montoya, who created the firm’s name by combining the first letters of his last name and his wife’s maiden name, Marin.

Montoya began his formal education at the Universidad Regiomontana in Monterrey, Mexico, where he earned his BS in civil engineering and graduated first in his class. He earned his MBA from the Marriott School in 1996.

“Before going through the MBA program, I had little sense of the business side of my field,” Montoya says. “The Marriott School offered me the tools I needed to effectively run my civil engineering business and helped with my personal development as well. I learned how to present my ideas, network, and make proactive decisions.”

Montoya has been a registered Arizona engineer for fourteen years. He and his wife, Letty, have five children and reside in Gilbert, Arizona. For more information about the M2 Group, visit www.m2groupinc.com.
weekly during his lunch hour. He and his wife, Carol, have three children and live in Corona, California. Strong earned his MAcc from the Marriott School in 1996.

**1998**

Allan D. Beazer is vice president and general manager of Cream O’Weber Dairy, where he has worked for the last twelve years. Beazer previously worked at Albertsons, Baskin Robbins, and TG Lee Dairy.

Away from the office, Beazer serves on the board of the Utah Better Business Bureau and is the chairman-elect of the Utah Food Industry Association. He also is involved with the local Red Cross.

Beazer and his wife, Laurel, have four children and reside in Kaysville, Utah. He earned his MBA from the Marriott School in 1998.

**1999**

Joni K. Lusty recently accepted a job as supervisor for Deseret Management Corporation, the for-profit organization of the Church that oversees Deseret Book, Bonneville Communications, Deseret News Publishing, and Temple Square. She is responsible for the company’s internal audit projects.

For the past five years, Lusty worked in the audit department of Ernst & Young in Salt Lake City. She served clients such as the Utah Symphony and Opera, Headwaters, and AMIS Holdings. In October 2004, she was promoted to manager. While at Ernst & Young, she organized several United Way Campaigns and Days of Caring and was involved with the Salvation Army. She has also consulted for Tom’s Gourmet Food, a local startup company that sells old-fashioned ice cream toppings.

This year Lusty became one of two artistic directors for the Worldwide Association of Performing Artists, a local not-for-profit music and dance ensemble. She also performs with the group, which represented the United States at the 2002 Korean World Cup and performed in the 2002 Olympics.

Lusty earned her MAcc in accountancy from the Marriott School in 1999. She resides in Salt Lake City.

**2000**

Byron Shefchik was recently promoted to product manager of the SeaPak Shrimp Company at RICH-SEAPAK Corporation. He has spent five years in the frozen food industry and previously worked for Unilever Ice Cream.

Shefchik earned his BS in 1998 from BYU, where he was an All-American swimmer. He earned his MBA in 2000 from the Marriott School. He resides on Saint Simons Island, Georgia, with his wife, Amber, and their two daughters.

**2002**

Joni K. Lusty recently worked in New Jersey to work with iTerra’s Hybrid Module Manufacturing Group. He has been with iTerra since graduating from the Marriott School and works in the operations department.

The Hybrid Module manufacturing group produces custom-made products for the

---

There's No Business Like Show Business for MPA Alumus

Most people are surprised to learn that lawyer and Marriott alumnus Kelly Crabb has written a cowboy musical, produced a documentary, represented Paul McCartney, and won an Olympic gold medal (well, kind of). His most recent surprise is that he has written a guide to being a movie producer. This media-savvy legal counsel never really meant to go into showbiz, it was simply unavoidable.

“A lot of people try really hard to get into the entertainment business, and I couldn’t help but fall into it,” he says.

*The Movie Business* is about the legal aspects of making a film. It covers the idea of development, film distribution, and everything in between. The intent of the book isn’t to sell the secret of how to make a box-office smash or turn the reader into an entertainment accountant, but to warn producers of the risks of leaving legal matters to the last minute.

As a source for the text, Crabb drew upon his twenty years of experience as a lawyer and one-time producer. Through what he calls a “bizarre twist of events,” Crabb found himself producing a PBS documentary based on a musical stage play he wrote called *All My Friends Are Cowboys*.

From his involvement with the play and documentary, the Spanish Fork native worked with country music legend Johnny Cash, actor Roy Rogers, and cowboy poet Waddie Mitchell. Crabb enjoys writing but never thought the play would turn into much of anything. “I’ve long given up the dream of being a rock star,” he says. “But it’s amazing to see what happens to some of my stuff.”

After serving a mission in Japan, Crabb earned his bachelor’s degree in Asian studies and international relations at BYU in 1971. By 1973 he had earned his MPA.

Crabb attended Columbia Law School from 1981 to 1984. After earning his law degree, he began practicing law at Skadden Arps representing Japanese businesses, including several media companies, in New York City.

In 1990, he was transferred to Los Angeles to be their Pacific Rim representative. While there, the Japanese economy soured and the only investments Japanese companies made were in American movies.

Crabb, a partner of Morrison & Foerster LLP, now works as counsel for the Beijing Olympic Organizing Committee for the 2008 Olympics. This isn’t his first Olympic-related work though; he also worked on projects for the Salt Lake Olympic Organizing Committee for the 2002 Winter Games and won gymnast Paul Hamm his gold medal in a legal dispute arising from the Athens games.

“I’m one of the few lawyers in the United States to win a gold medal,” Crabb says. “Or, in my case, win it for someone else.”

During his illustrious career, Crabb has represented Paul McCartney, Dave Matthews, Michael Jordon, Charles Barkley, Academy Award-winning producer Gerald Molen, and the family of Elizabeth Smart.

Crabb resides in South Pasadena, California, with his wife, Janice. They have five children.
Tell Us About Yourself and Your Alumni Friends

Web: marriottmag.byu.edu/tell_us.cfm
Email: marriottmag@byu.edu
Mail: 775 Tanner Building Brigham Young University Provo, UT 84602-3187

Ryan J. Lambert was recently promoted to executive director at VistaCare in Salt Lake City. He previously worked as clinic administrator for Rapid City Regional Hospital in Rapid City, South Dakota.

Lambert earned his associate’s degree from Ricks College in 1998, his bachelor’s degree in communications from BYU in 2000, and his MPA from the Marriott School in 2003. He and his wife, Valli, have three children.

In December 2004 Jason Whetstone was promoted to assistant manager in human resources for General Mills and transferred more than seven hundred miles from Cedar Rapids, Iowa, to Buffalo, New York.

He is responsible for development and retention of about five hundred unionized workers. Perks of the job include creating courses at a community college, helping the unemployed gain skills in manufacturing, and extending scholarships to women in technology fields.

Prior to working at General Mills, Whetstone worked for Novations SDC and SOS Staffing Services.

Whetstone volunteers in America Reads and the Junior Achievement program that teaches fifth graders basic financial principles. He also auctions off guitar lessons for the United Way.

Whetstone earned his BS in Spanish from BYU in 2000 and his MBA from the Marriott School in 2003. He and his wife, Stacy, and their two sons reside in East Amherst, New York.

2005

After graduating with her MBA, Mandy was promoted to a prestigious position. “I’m a little bit nervous about it,” Taylor says. “You think you’re prepared for these kinds of things, but you never know until the rubber meets the road.”

Endowed Chair in Accounting at Creighton University, where he teaches auditing and fraud investigation.

Despite years of study and experience, he can’t help but be a bit jittery about such a prestigious position. “I’m a little bit nervous about it,” Taylor says. “You think you’re prepared for these kinds of things, but you never know until the rubber meets the road.”

Every year the SEC selects two or three professors for its one-year fellowship program. Taylor says he will probably work in developing new auditing standards or work with auditor independence issues as well as some projects associated with specific registrant filings with the SEC.

In the aftermath of the Enron and Arthur Andersen catastrophes, Taylor pushes for an improvement in rebuilding an auditing profession that investors can rely on. “The auditing profession specifically, and capital markets in general, have suffered a tremendous crisis in confidence” he says. “It shook the market’s foundations when market participants started to wonder whether the auditors’ work was reliable.”

Perhaps being a descendent of John Taylor, third president of the Church, has something to do with his zeal for good character. Taylor wrote Witness of the Martyrdom: John Taylor’s Personal Account of the Last Days of the Prophet Joseph. Taylor says it is interesting that he’ll be on assignment in Washington, D.C., following in the footsteps of John Taylor, who was sent there to petition for Utah statehood.

Taylor’s duties will have him move away from his wife, Rozann, and their four children for twelve months—at least during weekdays. Taylor will commute weekly from Omaha, Nebraska, to Washington, D.C., a situation not too dissimilar from his stint as a visiting associate professor at the Marriott School in spring 2004.
MANAGEMENT SOCIETY

CHAPTER PRESIDENTS

Arizona, Mesa/Phoenix
Joe Biehl
502-723-7407
jobiehl@gmail.com
Arkansas, Northwest
Bill Luce
479-204-0671 (W)
bill.luce@wal-mart.com
California, East Bay
Jeff Unabi
925-429-0236 (W)
runalp@aol.com
California, Los Angeles
Joel Kasparian
323-264-5904 (W)
kasparian@ldsmail.net
California, Orange County
Carol Pearson
949-854-5970 (W)
cpearson@oco.com
California, Sacramento
Jack Ross Williams
916-712-2480 (W)
jack@smog_n_go.com
California, San Diego
Neal Walton
920-766-3315 (W)
mwaltton@pcient.ml.com
California, South Bay
Joel Deceuster
408-314-1941 (W)
joel@deceuster.com
California, Ventura
Eric Dassforth
805-538-6174 (W)
estasarothwithins.com
Colorado, Denver
Pam Lamb
303-376-0242
lamb2003@msn.com
Florida, Central
David R. Portlock
407-537-7004 (W)
dportlock@downtownbusinessfl.com
Georgia, Atlanta
Nancy and Kent Potter
770-210-5496 (W)
kent@bernion-robertson.com
Idaho, Boise
Adam Felk
208-947-2015
adam.g.felk@pj.com
Illinois, Chicago
Paul S. Haglund
312-558-9301
phaglund@greely.hansen.com
Massachusetts, Boston
Jeff Matherott
617-239-2510
jeff@whattcott.com
Minnesota, Minneapolis
Jeff Sessions
952-649-4417
issesions@aol.com
Missouri, Kansas City
Ray Birkina
913-676-7336
ray.birkina@dg.com
Nevada, Las Vegas
Adam Creer
702-346-2650 (W)
adam@creerlaw.com
New Hampshire
Buite Hunsker
603-879-3310
hunsker@alum.mit.edu
New Mexico, Albuquerque
Doug Thomas
505-277-8892 (W)
thomas@mgt.unm.edu
New York, New York
Kimberly Stewart
917-497-9687
k_stewart439@hotmail.com
North Carolina, Charlotte
Dennis Balling
704-370-5786
DennisBalling@byu.edu
Oregon, Corvallis
Andrew Jones
1-800-787-1691 (W)
andrew.jones@agedwards.com
Oregon, Portland
Jeremy Stoddart
503-296-1000 (W)
jstoddart@source-one-financial.com
Pennsylvania, Philadelphia
Joe Berry
610-261-0335 (H)
jberry@bellatlantic.net
Texas, Austin
Chris Ismael
512-338-0300 (W)
chameli@sbcglobal.net
Texas, Dallas/Ft. Worth
Emran Pratt
214-599-6845
Emran.Pratt@ey.com
Texas, El Paso
Alan G. Gluth
915-345-1200 ext. 108
gluth@ryanandsaldivr.com
Texas, Houston
Buddy Sanders
713-226-1239 (W)
byuhouston@yahoo.com
Utah, BYU Student Chapter
Shihon Roan
801-222-3791
shihon_roan@byu.edu
Utah, Salt Lake City
Troie Price
801-213-2520 (H)
tprice@riggers.com
Utah, St. George
Hal Anderson
435-674-1600
hall@saltdisadvocates.com
Utah, Utah Valley
Marc Arnoldson
801-763-4312 (W)
mare@horrockcs.com
Virginia, Blue Ridge
Steven Amor
540-400-6216 (W)
samor@cblittman.com
Virginia, SVU Student Chapter
W. Todd Brotherson
540-361-4277
tbrotherson@southernvirginia.edu
Washington, D.C.
Robert Woodhead
733-903-2425
rwoodhead@instar.net
Washington, Seattle
Susan Lawrence
425-369-2473 (W)
slawrence@auchoivialseec.com
Washington, Tacoma
Gary Campan
253-722-3553 (W)
cory.campen@byu.edu
Wisconsin, Milwaukee
Andy Parker
414-343-7186
andy.parker@harley-davidson.com
INTERNATIONAL CHAPTERS
Argentina, Buenos Aires
Diego Spannas
34-11-3444-5393
diego.spannas@unbsc.ar
Australia
Christopher Cooper
07-3399-9391
christ@au.tri.com
Brazil, Sao Paulo
Sandro Silva
55-11-3596-8722
sandro.alexis@terra.com.br
Chile, Santiago
Ricardo Paredes
56-2-200-6064 (W)
paredes@ci.ub.edu
China, Taiwan
Yu-Chen (Philip) Ho
886-2-2960-0293
yu.chen@ms39.hinet.net
Colombia
Jaime Ferrera
571-622-6655
ferreira@ldsmail.net
Costa Rica
Douglas Arevalo
506-397-7523
arevalod@ci.ub.edu
Ecuador, Guayaquil
Denis Molina
593-2-2585-6901
Maldonado@ldsmail.net
France, Paris
Gerald Jean Causse
33-1-55-59-61-00 (W)
GeraldJeanCausse@aol.com
Great Lakes Region
Jere Clune
765-370-7379
tjclucogrfrinc.com
Utah/Idaho Region
David Gury
801-947-9771
dgury@hotmail.com
Atlantic Region
Mark Dickson
202-223-1665
dicksoncap@ccs.com
Northeast Region
Lance Spencer
603-773-5266
judylance@juno.com
Northern California/Nevada Region
Helena Hannonen
408-435-3832 (W)
hanonner@qsi.com
Northwest Region
H. Tracy Romer
425-450-5000
trromer@omeromontague.com
Southeast Region
Sonny Morris
434-598-5000
smorris@becpas.com
Southwest Region
R. Bruce Whiting
480-209-1111
bruce@brucewhiting.com
Employment Councils
Sharon Worlton
312-369-5460
sharon.worlton@ldsmail.net
Past President
John Toronton
801-246-1366 (W)
john.m.toronto@wellsfargo.com
George W. Romney

Today more than 2,500 BYU MPA graduates are working and serving in forty-eight states and twenty-five countries.

See story on p. 28.