

# MARRIOTT

ALUMNI MAGAZINE



True Blue,  
Through and Through

Personal Insurance

Outside the Tanner







*MOUNT MORAN FROM THE WILLOW CREEK FLATS OVERLOOK BY N. DALE WRIGHT*

Professor Dale Wright retired from the Marriott School in 2003. He taught at the school for thirty-three years and was also a director of the Romney Institute. Since his youth, Wright has made an annual summer trek to Yellowstone and Grand Teton National Parks. When Wright began painting, these trips evolved into artistic expeditions; the Teton mountain range is his favorite subject to capture. Wright is currently serving a humanitarian mission with his wife, Virginia, for The Church of Jesus Christ of Latter-day Saints in Belarus.

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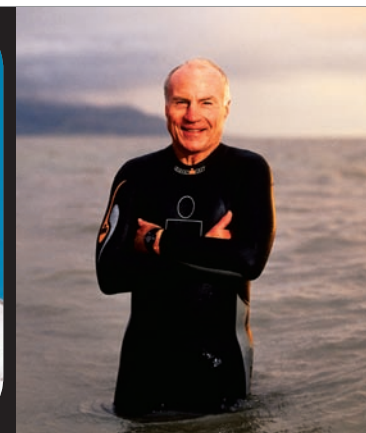
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*Cover illustration by Tim Zeltner/www.i2iart.com*

# A Formula for Success

BY MAURICE L. STOCKS



**P**rovo is a tough place to get to—a three-hour flight and an hour's drive from just about anywhere. Yet each year an increasing number of recruiters from the nation's top companies find their way to the Marriott School.

Why are these companies willing to make the effort to come here? Certainly, we have the reputation of providing top-notch employees. In fact, several of our corporate partners have told us our students are the most successful new hires in their organizations. But I'm convinced there is something more: It is a hard-to-define blend of maturity, integrity, and positive attitude that attracts top employers to the Marriott School.

Chris Clason, HR vice president for

Honeywell's transportation systems division, sums up our students' special attributes in one word—character. "I've worked with or hired BYU grads in three highly successful companies in three distinct business sectors," he reports. "The tangible difference in these employees has not been technical capacity but overall strength of character."

Mark Hillstead, director of Hewlett-Packard's finance customer solutions group, believes our students also possess a special maturity not found in their peers at other schools. Mark reports that our students "build strong and productive working relationships" and promote effective team building. "They are comfortable in challenging the status quo and initiating change," he observes.

Mark is not the first to tout the leadership qualities of our students. Ron Alsop, editor of *The Wall Street Journal's* annual "Guide to Business Schools: Recruiters' Top Picks," reported to western deans at a conference last year that the Marriott School ranked fifth nationally in the category of producing strong leaders. Put that with our number two ranking in the paper's category of producing ethical graduates, and you have a winning combination.

This praise for the quality of our students is not tied to any one program. It is pervasive across the school's programs.

Brian Hancock, an accounting graduate who is vice president and general manager of Schneider Logistics, sees our students' success as a manifestation of BYU's motto: Enter to learn; go forth to serve. "By maintaining a mindset of service," he says, "students can become part of creating a better existence for all the world's citizens."

While top employers continue to find us, and we continue to produce graduates who are among the most technically competent in the country, we also proudly produce individuals who build great families, become caring and productive citizens, and strengthen the Church wherever they go.

That, I believe, is a great formula for success.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Stocks".

Maurice L. Stocks  
Assistant Dean  
Corporate Development and Career Services

## Marriott Alumni Magazine | Winter 2005

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# Your Contributions in Action

## THE SILVER FUND

**S**econd-year MBA students have the opportunity to manage the Marriott School's \$1.4 million stock portfolio—and although it's called the Silver Fund, it mostly sees green.

More than twenty years ago, the Silver family established the Madelyn and Ruth Silver endowment at the school. The \$200,000 gift was earmarked to be money managed by finance students earning their MBAs. Since then, it has grown to be worth more than \$1.4 million.

At the end of their first year, MBA students apply to work for the fund for the following year. The twelve chosen are in charge of economic forecasts, security selection, and portfolio strategy. "Over the years it has become a big deal for students and recruiters," says Steve Thorley, faculty advisor to the fund managers. "Being a Silver Fund student is a badge of honor for those going into an investment management career."

Just ask Jon Fischer, a 2004 MBA graduate and Silver Fund participant. "That experience made a difference in my ability to be suc-

cessfully placed after graduation," he recalls. "It regularly came up in job interviews, and potential employers were always impressed."

Despite a struggling stock market, the students in charge of the portfolio have beat the market and had a higher than average market return for the past four years. "That's an impressive track record. If they

investment managers—often former Silver Fund students—to observe and address the students.

"This is an MBA project with real world consequences. Students learn how to work together under pressure and how to convince people without being overbearing," Thorley says. "They also learn about the risks

*"The Silver Fund was a golden opportunity. I feel much more comfortable working in the real world than I would have without that experience."*

—Jon Fischer, financial analyst for Payless ShoeSource, Inc.

were doing this as professionals it would attract a lot of customers and money under management," Thorley says.

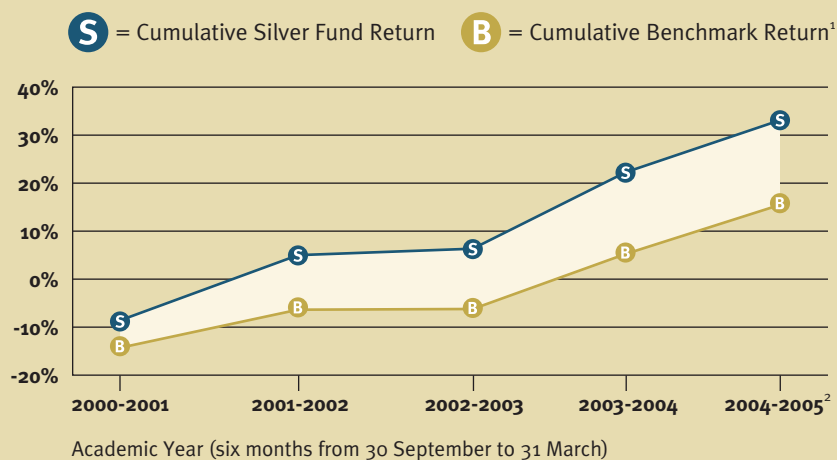
Students who work with the fund meet twice a week and make presentations on stocks they want to purchase. Thorley monitors the students and invites professional

of investing and how to beat the market. Students are devastated if a stock they lobbied for doesn't do well."

The Silver Fund gives participants an advantage as they venture into the business world. "Making decisions with real money during my time on the Silver Fund prepared me for my career by teaching me the rewards of carefully researched financial decisions—and the consequences of not doing my homework," says Fischer, a financial analyst for Payless ShoeSource, Inc. "The Silver Fund was a golden opportunity. I feel much more comfortable working in the real world than I would have without that experience."

For information about the Silver Fund or other mentored-learning programs, call 801-422-7696.

## Silver Fund Performance



1) The Benchmark return for first three academic years shown above was 80% large-cap equity (S&P500) and 20% cash (3-month t-bill). The benchmark for 2003-2004 was 95% large-cap equity and 5% cash. The benchmark for 2004-2005 is 90% large-cap equity, 10% small-cap equity (Russell 2000), and no cash.

2) Performance is only for the first half of the 2004-2005 academic year (Q4 2004).











# PERSONAL INSURANCE



PREPARING FOR THE UNEXPECTED



In the event of an early departure, unexpected turbulence, or a longer-than-anticipated journey, acquiring appropriate personal insurance is key to avoiding a financial crash.

BY WILLIAM S. BENNETT, JR., CLU, ChFC | PHOTOGRAPHY BY BRADLEY SLADE



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This is the second of a five-part personal financial planning series sponsored by the Peery Institute of Financial Services. The next installment, addressing property, casualty, and health insurance, will appear in the Summer 2005 issue.

Insurance is the pooling of resources by a large number of individuals in anticipation that a certain number of those individuals will make a claim requiring a distribution of the pooled resources. Many seek insurance as a hedge against the possibility they will be one of those making a claim.

Personal insurance refers to life, disability, and long-term care insurance. It is underwritten on and covers people, while property and casualty insurance is underwritten on and covers homes, autos, businesses, and catastrophes.

Many questions arise when addressing the subject of personal insurance: Why do

I need insurance? What kinds of insurance should I consider? If I need insurance of any kind, how much do I need?

## LIFE INSURANCE

Among all the unknowns in this life, death is one certainty. If we love or owe an obligation to someone, we must consider whether or not we have sufficient resources, beyond our own industry, to provide in our absence what we have provided while living. If we can provide for our loved ones or satisfy obligations through other means, then there is no need for life insurance in the traditional sense.

There may be, however, in the presence of substantial available resources, a need for life insurance in trust to satisfy estate tax obligations at death. If there would not be sufficient resources to provide adequately for your loved ones in your absence, or that a debt or obligation would not be met, then life insurance should be considered.

There are a number of ways to calculate how much life insurance is appropriate:

1. Life value—fifteen times your current annual earnings, establishing a present value today of your earnings in the future;
2. Cash and capital needs analysis—this involves the determination of the amount of cash required to secure the survivors of a breadwinner, and to provide for their maintenance, education of children, etc., and sufficient capital to provide an adequate long-term income stream to allow them to remain in their current financial condition; or
3. Debt and obligations—the amount required to satisfy long-term obligations or pay off debts.

There are a host of other ways to determine the appropriate amount of insurance; these are but a few of the more common approaches (See table 1).

With the need for life insurance established and the appropriate amount determined, the next questions would be: What type of life insurance is right for my situation? How long do I want the life insurance to be in force? What do I want the life insurance to accomplish and for whom? (See table 2.)

## Term Insurance

There are two types of life insurance—tem-

porary and permanent—with several categories within each. Temporary life insurance is called “term” insurance because it is designed to be in force for a term of time. Term insurance is the cost of risk for an insurance company to undertake the possibility you might die before your actuarial life expectancy. It is inexpensive when you are young and healthy; costs rise as you get older and less healthy. Good health and sound living habits, such as not smoking or avoiding dangerous activities, are rewarded with additional discounts.

Costs continue to rise as you get closer to your life expectancy, when, if the insurance is in force, the insurance company will need to pay the claim. Term insurance comes in several categories. One is annually renewable, meaning that the premium (what you pay) increases each year. Another includes the option that the policy is “convertible” to a cash-value policy at the option of the holder. Finally, others have premiums that are averaged over a selected period of time for five, ten, or twenty years. Your premiums do not build equity or cash value in the policy.

## Permanent Insurance

If the life insurance need will be longer than twenty years, it may be prudent to look into the benefits of permanent insurance. Aside from providing death benefits, permanent insurance can be useful for estate planning, retirement, personal loans (loans against your policy accrue interest and decrease the death benefit by the amount of the outstanding loan and interest), and the onset of serious medical problems.

Permanent insurance can be helpful in estate planning to ensure that sufficient funds are available to pay estate taxes. Because the cash-value portion of this insurance earns tax-exempt interest, more money may also be available for retirement. Low-cost loans can sometimes be secured against the cash-value portion of permanent insurance policies. And, such policies can only be cancelled if premiums are not paid—a particularly important benefit for those with a history of medical problems.

Permanent life insurance is divided into three categories: whole life, universal life, and variable universal life. These categories differ according to the type of investment you choose to build your tax-deferred savings.

## GLOSSARY

**UNDERWRITE**—assume liability

**PREMIUM**—what a customer pays for a contract of insurance

**ACTUARIAL**—relating to statistical calculation especially of life expectancy

**RIDER**—adjustment to a life insurance policy if current policy doesn't meet holders' needs



### Whole Life Insurance

Whole life is the oldest form of life insurance and probably the least understood. The premise is that the insurance company assesses the specific pool of individuals insured by age, gender, and health, and assumes the worst case scenario—a disproportionate number of those individuals will die too early, and the premiums paid by individuals in the pool will provide a less than satisfactory rate of return to the company. The pricing is based on these assumptions.

Then, each year, as the actual mortality experience occurs and actual investment performance of the premiums is determined, the difference between the worst case scenario and the actual current-year experience is returned to the policyholders in the form of a dividend. The dividend is not taxable because it is considered a return of an overpayment of premium, which had been previously taxed.

That dividend can be 1) paid outright to the policy holder, 2) used to offset a portion of the subsequent premium, 3) retained on deposit earning interest within the policy (this option is taxable), or 4) retained in the policy, buying paid up additional life insur-

ance, the cash value of which is tax deferred. Most policyholders, in an effort to eventually end paying premiums, choose the last option. After about fifteen years, the policy may have sufficient dividend activity to allow the policy to sustain itself without further outlay on the part of the policyholder.

At that time, the policy should have approximately the same amount of net cash value as the amount of premiums paid into the policy cumulatively. Hence, the life insurance has been and will be paid for in the future with the yield of the policyholders' dollars as opposed to policyholders' dollars, thus allowing the policyholder to retain control over his/her money.

With whole life, guarantees are very important. The death benefit is guaranteed, as long as the premium is being paid, either by policyholder or by the policy itself; the premium is guaranteed never to increase; and the cash value is guaranteed and is stated in the policy as to what the exact dollar amount of cash value increase will be each year of the policy. The only element that is not guaranteed is the dividend, because it is dependent on mortality and investment performance each year.

### Universal Life Insurance

A much newer category of permanent life insurance is universal life. Universal life insurance foregoes the worst-case scenario approach and, instead, makes an assumption each year based on actual mortality and investment performance. As such, the universal life policy holder has a myriad of options with regard to how the policy can be designed, and those options can change as the policy holder's circumstances change.

For example, if the policyholder's income is inconsistent—one year high, the next year low—the policy has the flexibility to be sustained at different premium levels throughout the life of the policy. When circumstances permit, years of underfunding can be made up, or if overfunding is accomplished early in the policy's life, the universal life policy could get to the point of being able to fund itself without further outlay on the part of the policyholder.

With flexibility, however, comes compromise, in that there are fewer guarantees and more risks taken on by the policyholder. The insurance company has more latitude with regard to the internal charges for mortality and expenses. However, if the policyholder is not in a position to afford to pay the premiums for whole life, but wants a permanent life insurance solution, then universal life should be considered. If done properly, the universal life approach allows the policyholder to pay for insurance with the yield of the policyholders' dollars as opposed to policyholders' dollars, thus allowing the policyholder to retain control over his/her money.

### Variable Universal Life Insurance

Variable life products are flexible premium, permanent life insurances policies that allow the policyowner to have premium dollars allocated to a variety of investment options (which will fluctuate with market conditions), including a fixed account. Variable products generally provide tax-free death benefits on income, have cash values that grow tax deferred, and are accessible through policy loans and/or withdrawals (loans against your policy accrue interest and decrease the death benefit by the amount of the outstanding loan and interest). Variable life products are sold through prospectus only.

TABLE 1: **CASH AND CAPITAL NEEDS**

CASH NEEDS	HUSBAND	WIFE
Immediate Money Fund	_____	_____
Debt Payoff	_____	_____
Mortgage Payoff	_____	_____
Emergency Fund (6 Months Income)	_____	_____
Child/Homecare Fund	_____	_____
Education Fund	_____	_____
<b>TOTAL CASH NEEDS</b>	_____	_____
CAPITAL NEEDS	HUSBAND	WIFE
Annual Income	_____	_____
Total Household Income	_____	_____
Less: Spouse Income	_____	_____
Less: Social Security (Child Death Benefit)	_____	_____
Equals: Income Shortfall	_____	_____
Divide By _____ % (Yield Factor)	_____	_____
<b>TOTAL CAPITAL NEEDS</b>	_____	_____
<b>TOTAL CASH &amp; CAPITAL NEEDS</b>	_____	_____

## DISABILITY INSURANCE

The most valuable financial asset is one's ability to earn a living. However, there is a one-in-four chance you will be disabled for at least six months during your working lifetime (from twenty-two to sixty-five years old).

In the event that an accident or illness was not terminal, but rather disabling—prohibiting the individual from being able to be gainfully employed—a similar financial scenario to death occurs, although the injured or sick person is still living. If this happens, someone with disability insurance would receive a portion of take-home income he/she did before the disability.

Normally, a disability benefit attempts to restore approximately 65 percent of the gross earnings of the insured individual. That percentage decreases as income increases. If the benefit is offered through the employer at no cost to the employee, then the benefits will be taxable in the event of disability. If the employee pays the cost for disability coverage and does not deduct the premium for income tax purposes, then the disability benefit will be tax free.

If an individual is not covered by an employer-sponsored disability plan, individual plans are available, and in many cases will provide more comprehensive coverage and more customization of benefits depending on the individual's profession or line of work.

Important questions to ask in designing an individual disability income plan include

- What is the policy's definition of disability?
- How long is the disability period before benefits begin?
- What is the maximum percentage of gross income the benefit provides?
- How does the policy integrate with possible Social Security benefits? Would those benefits be mutually exclusive?
- What are options for duration of benefits?
- What are options relating to the healing process and gradually returning to work?
- If the disability is prolonged or permanent, what cost-of-living options are available?

Depending on the insurance carrier, there are other benefits and riders that should be measured. The most important consideration when addressing your need for disability coverage is the same for life insurance: if you become disabled, what other resources are available to provide for those who depend on you? If those resources are not apparent, you should consider disability insurance.

## LONG-TERM CARE INSURANCE

Professionals who study risk management say that individuals have several choices

when dealing with risk. These choices include: 1) avoiding the risk, 2) retaining the risk, or 3) transferring the risk.

When it comes to the issue of long-term care, people may avoid the risk because they don't understand the potential for needing services. They may choose to retain the risk because they don't understand the potentially high cost of care. Or they may transfer the risk as part of a carefully considered retirement and financial plan. Each person's decision-making process is driven by different concerns and priorities. Here are seven reasons you should consider transferring the risk of a long-term care experience through the purchase of long-term care insurance.

## Economics

### Protecting your assets

In the absence of other resources such as insurance, it may be necessary to pay for long-term care expenses out of pocket. This could involve selling assets, borrowing from an investment or retirement account, or even taking a loan against your life insurance. These options, although possible, are probably not what you had in mind when you purchased life insurance or began saving for your future. Long-term care insurance may be an affordable way to help protect a much larger portion of your financial and retirement plan against an unexpected need for care.

## Opportunity Cost

### Freeing up your money

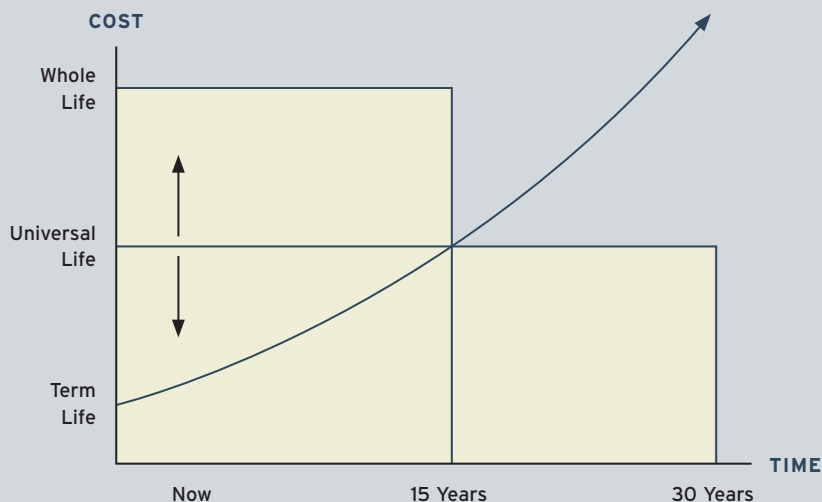
If the choice is made to retain the risk and self-fund the potential cost of long-term care, you must set aside a considerable portion of your assets as a "rainy day" fund. By insuring part of this risk, those assets are free to support the quality of life you expect for you and your spouse in retirement or to be used for other worthwhile purposes, such as charitable donations, special trusts, and gifts.

## Control

### Having your own way

A bottom-line issue in long-term care is control. If you someday need long-term care services, you may find that you are not able to control how the funding of those costs is handled. Would you object if your family decided to liquidate some assets or sell something you value, such as a cherished collection, antiques, or a vacation home?

TABLE 2: TYPES OF INSURANCE





If you were to become incapacitated, you might not have a say in the matter. By insuring part of the risk, you help increase the possibility that your assets will be handled and distributed according to your wishes.

Another important element of control is deciding where care will be provided. Long-term care services may be provided in any number of settings including your home, an assisted care living facility, adult day care, or nursing facility. Being able to decide where you wish to receive care is often tied to your financial resources at the time of need.

### Risk Management Logic

#### *Recognizing a legitimate risk*

Most people have homeowners and auto insurance, but if you scratched the paint on your car or a neighborhood kid threw a baseball through your window, you might pay those expenses without filing a claim because the cost is manageable. You have insurance though, because if something major happened to your car or your home, you would be protected.

The need for long-term care services may have a much bigger effect on your finances than a scratched car or a broken window. Long-term care insurance is a lot like homeowners or auto coverage—you hope you never use it, but if you do, you will be glad the protection is there.

### Quality of Care

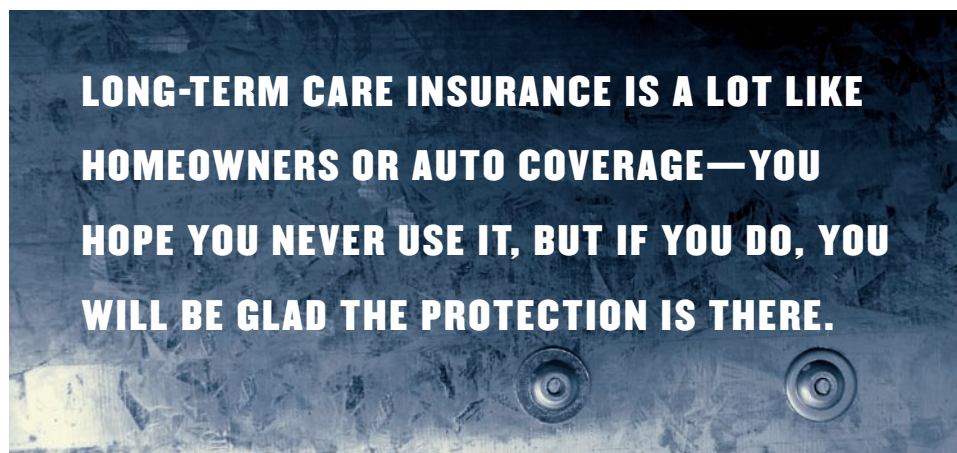
#### *The privilege of choosing your caregiver*

Most people agree that the preferred place to receive quality care is in the privacy and comfort of their own home. However, depending on the type of care you receive, home care may be just as expensive as care received in a facility. By insuring for the long-term care risk, you may be assured that care expenses will be less of a concern when receiving the best home care available. Having additional resources may also make the difference between staying at home and having to relocate to a care facility. Should institutional care better fit your needs, you may have funds on hand to pay for the facility you prefer, rather than one you can afford.

### Timing

#### *Creating a window of time*

Life insurance helps provide a window of time for your heirs. This span of time helps ensure that they do not have to liquidate



assets right away to pay for estate or probate costs under possibly disadvantageous circumstances. Long-term care insurance can help in a similar manner. Assets may not need to be liquidated to fund long-term care costs—or at the very least, you may have time to think about how, when, and what you might like to liquidate.

### Family Considerations

#### *Stressful decisions*

An unexpected need for long-term care services may create stress for family members confronted with issues of caregiving. Caregiving may take a physical toll on family members who may have to help with bathing, dressing, and other tasks associated with custodial care. It can also have a financial impact on family caregivers who have to miss work, change from full-time to part-time employment, or even leave a job completely. Finally, caregiving may have an emotional impact on family members assisting their mom or dad. Physical and mental illness sometimes brings an unexpected role-reversal to the parent-child relationship.

Long-term care insurance helps with

these considerations by providing benefits and resources to help you and your family understand the options and determine the best source of care. Long-term care insurance provides options that you and your family may not know about or may not otherwise have the money to consider.

### CONCLUSION

To offset risks related to your personal insurance needs, a little planning and knowledge will help you determine the type and level of life, disability, and long-term care insurance you'll need to navigate life's journey. **M**

### ABOUT THE AUTHOR

*William S. Bennett, Jr., CLU (chartered life underwriter), ChFC, has been a financial professional for fifteen years in Seattle. He earned his BS in business management, with an emphasis in marketing, from Brigham Young University. He and his wife have four children and reside in Redmond, Washington.*

This article is for informational purposes only. You should consult with a professional advisor to determine the appropriateness of any course of action.

# TRUE★BLUE

## — THROUGH & THROUGH —

SPEECH BY SHERI L. DEW / ILLUSTRATION BY TIM ZELTNER

**I**n a recent conversation with President Gordon B. Hinckley, I described a difficult decision I had made at work—one I should have made sooner. “President, I just wish I were smarter,” I confessed. Without missing a beat, he replied, “Sheri, I wish you were smarter, too.” Then, after pausing for effect, he added, “I wish we were all smarter.”

I’d like to suggest there is more to being smart than IQ and graduate degrees. I invite you to focus on a virtue that is just plain smart, because it will have as much impact on your happiness, peace of mind, career, and ability to fulfill your life’s mission as any virtue I can think of.

It is the virtue of integrity.

What I am about to tell you is nothing new. Breaches of integrity are as old as Cain and as recent as yesterday’s news. Compromising one’s integrity seems to be a common trap—particularly for those who have strong aspirations. We tend to define integrity as honesty; and without question, it includes that. But telling the truth is just the beginning of integrity.

President Joseph F. Smith called integrity “the cornerstone of character” (4 April 1897 General Conference). He practiced what he preached. In fall 1857, the nineteen-year-old joined a wagon train in California en route home from his Hawaiian mission. One evening several outlaws rode into camp, threatening to kill every Mormon they could find. Most in the wagon train hid in the brush by a nearby creek, but young Joseph F. thought, “Why should I fear [these fellows]?” With that, he marched up to one of the intruders who, with pistol in hand, demanded, “Are you a Mormon?” Joseph F. responded, “Yes siree; dyed in the wool; true blue, through and

through.” At that, the hoodlum grasped his hand and said, “Well you are the [blankety-blank] pleasantest man I ever met! Shake hands, young fellow. I am glad to see a man that stands up for his convictions.”

I love Joseph F. Smith’s words: true blue, through and through. For the purpose of our discussion today, think of integrity as being true. True blue, through and through. True to yourself, as a latter-day son or daughter of God. True to others, meaning you do what you say you will do. True to God, meaning you practice what you preach and do what you covenanted to do here in mortality.

Living with integrity isn’t always easy, but it is easier than the alternative. A case in point: I am a farm girl, and on a farm you learn to drive as soon as you can see over the steering wheel and touch the pedals—preferably at the same time. By the time I got my driver’s license at fourteen, I was a seasoned veteran behind the wheel.

That first summer after getting my license, my job during harvest was to drive a grain truck from the field to the elevators, ten miles away via a dirt country road—a straight shot except for one stop sign before a two-lane, paved highway.

Now, it takes hundreds of yards to grind down through the gears and stop a grain truck. Each time I went through that long, tedious process, I couldn’t help but think how much easier it would be if I didn’t have to completely stop. Kansas is flat; you can stand on a tuna fish can and see forever. After indulging in these thoughts for a few days, I managed to convince myself and rationalize that it would be OK if I just slowed down but didn’t completely stop.

I began to do this, and it made dealing with the stop sign much easier. Before long, not only was I not stopping, I wasn’t doing much





ZELTNER



more than glancing both ways and barreling across the highway. I did this day after day, including one afternoon when I again ran the stop sign and proceeded down the dirt road toward our farm.

Five miles later, I looked in the rear-view mirror as I slowed to turn and, to my horror, saw a car with rotating red lights. After eating my dust for five miles, the police officer was not very cheerful. He demanded to talk with my parents. With red lights still gyrating, he followed me to our farm. Let's just say it proved to be a painful experience.

## THE HAPPIEST AND MOST SUCCESSFUL PEOPLE I KNOW ARE THOSE WHO HAVE THE — INTEGRITY — TO STAND UP FOR WHAT THEY BELIEVE.

I learned three things that day: First, that with lightening speed, I went from complete observance to complete disregard of the law. Second, my demise started with a small crack in my integrity. The instant I talked myself into slightly breaking the law, I was on a slippery slide into full-scale disobedience. And third, there is actually no such thing as slightly breaking a law—whether a law of the land or a law of God—because even a slight breach of integrity opens the door for Satan. A halfhearted effort to be morally clean or to tell the truth is no effort at all.

On Mount Sinai the Lord didn't say, "Thou shalt not steal very often" or "Thou shalt only commit adultery a time or two." He said "Thou shalt not," clearly delineating the line between integrity and infidelity of any kind.

Integrity is the foundational virtue upon which all other virtues depend. It is the first rung on the character ladder. For where there is integrity, other virtues follow. Where there is no integrity, other virtues have no chance of developing. You either live with integrity or you don't.

It is not possible to develop a relationship, any relationship, with someone you can't trust. And trust is the keystone that holds every organization together—be it a marriage or a family, a business or a nation.

Ancient and modern prophets have provided patterns to emulate. Job set an example of integrity for the ages. Even after losing his wealth, his health, and his family, he declared, "Till I die I will not remove mine integrity from me. My righteousness I hold fast, and will not let it go" (Job 27:5–6).

The Prophet Joseph's vision of the Father and the Son consigned him to a lifelong crucible, but he never wavered: "I had seen a vision; I knew it, and I knew that God knew it, and I could not deny it, neither dared I do it" (JS-H 1:25).

President Hinckley has also been a model of integrity. After Mike Wallace interviewed him for *60 Minutes*, I spoke with Mr. Wallace. Of the many things he praised President Hinckley for, he seemed most impressed that the prophet had done everything in connection with the interviews that he had promised to do. When I later offered to show Wallace how I intended to quote him in President Hinckley's biography, he replied, "That's not necessary. You're a Mormon. I trust you." Do you really think Mike Wallace believes every member of the Church is trustworthy? Of course he doesn't. His statement was a reflection of his experience with President Hinckley.

Indeed, anyone or anything that lacks integrity is unstable, as engineers will tell you. If a bridge, skyscraper, or building has structural integrity, it does what it was built to do. It isn't necessarily perfect, but under stress and repeated use, it does what it was built to do. If, on the other hand, a structure does not have structural integrity, it at some point fails, as was the case with the world's first jet airliner, the British-made de Havilland Comet.

When the Comet was introduced in 1949, the future seemed bright for jet travel—until three Comets disintegrated in flight, killing all aboard. The planes were grounded as engineers worked feverishly to understand why they had operated flawlessly at first, only to break apart later in midair. The engineers set up a fuselage in a large pool and pumped water in and out, simulating the effects of repeated cabin pressurization. At first, the experiment revealed nothing, but then they learned that the repeated stress gradually caused small cracks to form around the windows, cracks that widened into gaping holes. The planes could not withstand repeated pressure.

You and I live in a world filled with pressure—pressure to succeed, pressure to get ahead, pressure to be smarter than we are, pressure to conform. None of us are perfect. We all have flaws. Under repeated pressure, how will we avoid cracks in our integrity, cracks that over time could widen into gaping holes? How can we stay true blue—to ourselves, to others, and to our Father and His Son?

May I suggest six things that will help us fortify our integrity:

**1 DECIDE TODAY, ONCE AND FOR ALL, THAT YOU WILL BE WORTHY OF TRUST**—the trust of family and friends, colleagues and business associates, and most of all, the Lord. The more the Lord trusts you, the more knowledge and power He will give you.

The Holy Ghost is not able to inspire or endorse the words or actions of someone who can't be trusted. Decide today, once and for all, that you will be a man or woman of integrity who can be trusted.

**2 MAKE COVENANTS AND KEEP THEM.** In other words, do what you say you will do. This means keeping the covenants you made at baptism and in the House of the Lord with precision. It also means being fair and square with others. Here is a sample checklist: Do you do what you say you will do, or do you regularly make excuses for not coming through? Do you rationalize taking advantage of someone if it is to your advantage? Do you give your best effort at work or just put in time? Is your behavior the same in the dark as it is in broad daylight? Are you true to those who have trusted you with their love and confidence? Are you living worthy of the man or woman you have married, and of the children who are and will be entrusted to your care?



Now is the time to learn to be strictly honest and commit yourself to a life of integrity. In future days you will face dilemmas far more complex than the ones I have listed, but these dilemmas can almost always be resolved if you are fair and honest and true.

**3 STAND UP FOR WHAT YOU BELIEVE.** In fact, look for every opportunity to do so. Don't be showy or loud about it, and please don't judge others in the process. It is not possible to denounce who you are and be happy. If you want to feel real joy, be true to who you are and what you believe. It is actually easier to stand up for what you believe than to not do so. When I was invited to speak about the family to a gathering of United Nations diplomats, I agonized over what to say. I ended up simply explaining that my parents had taught me that personal virtue was essential for a happy marriage and family, and that in my youth I had promised God to live a chaste life.

"It hasn't always been easy to stay morally clean," I admitted. "But it has been easier than the alternative. I have never spent one second worrying about an unwanted pregnancy or disease. I have never had cause to contemplate an abortion. I have never had the anguish of a man using and then discarding me. And when I do marry, I will do so without regret. So you see," I concluded, "I believe a moral life is actually an easier and a happier life."

I worried about how such a sophisticated, diverse audience would respond, but to my surprise they leaped to their feet in applause—not because of me, but because the Spirit had borne witness of the truth of that simple but profound message. The happiest and most successful people I know are those who have the integrity to stand up for what they believe.

**4 EXPECT YOUR INTEGRITY TO BE CHALLENGED.** Metaphorically speaking, be on the lookout for Potiphar's wife. Be ready, as was Joseph who was sold into Egypt, to leave your cloak in her hand and flee again and again, because Satan won't tempt you just once. Moses had to tell Satan to beat it four times before he finally left (Moses 1:16–22).

Satan will try to find small cracks in your integrity that he can exploit and expand. Count on the fact that your integrity will be tested in large and small ways. This is actually a blessing, for you don't really know what you believe until your beliefs are tested. For example, you don't know if you can be trusted—with someone's feelings, money, influence, or power—until your trust is tested. In every test comes a moment of truth when you must decide what you stand for. Every time you choose to be true, your integrity will be fortified.

**5 DON'T GIVE UP.** Developing integrity is a lifelong process. I am fifty years old, and I have to work at this every day. The more determined I am to keep the commandments with exactness, the more aware I am of how far I have to go, and the more often I find myself repenting and trying again. Repentance and obedience are crucial to developing integrity—that is the pattern of life. When you do something that introduces a crack into your integrity, the Spirit will let you know so that you can repair it before it expands.

Recently a woman approached me in an airport and asked if I was the president of Deseret Book. When I nodded yes, she handed

me a check and with emotion said, "Years ago I had a financial setback and could not pay a bill I owed your company. I have felt guilty ever since. Please take this so that my conscience can be clear again."

No one except the Savior will live a perfect life, and no one is perfected in a day. It takes time, work, and endurance to develop and refine our integrity. Learn to keep the commandments with exactness. Learn to delight in repenting and obeying. Don't give up.

**6 COVENANT**—or perhaps I should say, renew your covenants—with our Father and His Son to do what you came here to do. Doing what we agreed to do premortally is the ultimate expression of our integrity.

As in all things, the Savior is the supreme example of perfectly fulfilling His foreordained mission. He didn't do it for Himself; He was already a God. He did it for you and me.

Perhaps even the Savior didn't comprehend the depths to which He would be required to go, for there came that moment of unspeakable anguish when He pleaded, "Father, if thou be willing, remove this cup from me." But then, in the midst of that sheer agony, He added: "Nevertheless, not my will, but thine, be done" (Luke 22:42).

The Son of God was required to do what He was sent here to do. But at that moment of sublime submission, "there appeared an angel unto him from heaven, strengthening him" (Luke 22:43). Even the Savior of the World wasn't required to complete His mission alone, and neither are we.

We too made premortal commitments. You were sent now because you have everything it takes to deal with the world now. You have it in you to not only withstand the pressures of the last days but to triumph over them—but only if you are true to who you are and what you know, only if you can keep cracks from forming in your integrity.

Inventory your integrity. Look for cracks that may have started to form. Be honest with yourself about your past dishonesties. For the next thirty days take time every night to assess how you did that day. Were you true to yourself, to others, and to God in every situation? See if such an intense focus makes a difference in your decisions, your repentance, and even the way you feel about your life.

Turn your whole souls over to our Father and His Son. Express your deep desire to live with integrity and then plead for help. The Savior has the power to help you change. He will help you turn weakness into strength. He will make you better than you have ever been if you will let Him.

I have felt His enabling power again and again. May we come to be more true than we have ever been before—true to ourselves, true to others, and most of all true to God, with whom we have made sacred and eternal covenants. May we be true blue, through and through. **M**

#### ABOUT THE SPEAKER

*Sheri L. Dew was named president and CEO of Deseret Book Company in March 2002. She earned her BA from Brigham Young University in 1977 and is a member of the Marriott School's National Advisory Council. This text is adapted from Dew's address at the Marriott School's convocation 13 August 2004.*



# Consulting With Family Businesses

[ Looking at unique challenges ]





**I**n the world of family-owned businesses, only the fittest survive—about 33 percent last into the second generation; 12 percent make it to the third generation. Family firms comprise 80 to 90 percent of all business enterprises in North America. They are the backbone of the nation's economy and range in size from small mom-and-pop stores to giants like Wal-Mart. Nearly 35 percent of Fortune 500 companies are family firms; they account for almost 80 percent of all new job creation, 60 percent of the nation's employment, and 50 percent of the GDP.

Consulting to family businesses, however, is significantly different from working with nonfamily firms; yet, surprisingly, the field of organizational development has largely ignored these unique systems. This article summarizes research findings that identify some of the characteristics of family business systems and the special skills required to work with them.

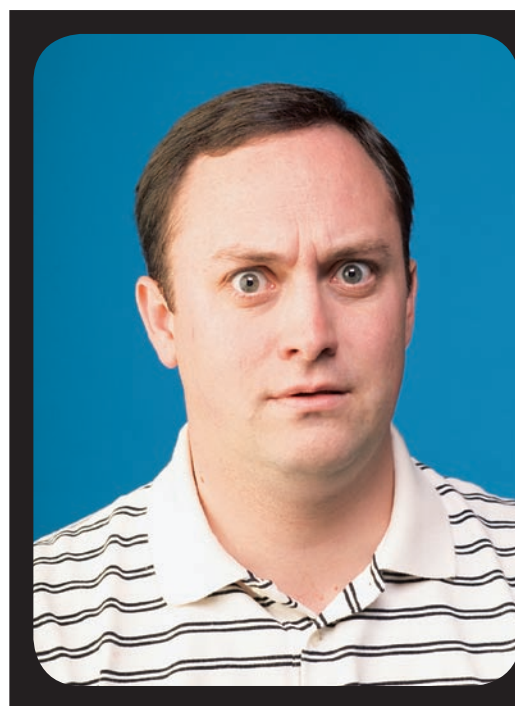
### Family Businesses

A family business is an organization in which family members influence ownership and management decisions. There are a variety of firms that fit this definition. Many conflicts and issues family businesses face result from blurred boundaries between business and family affairs. The following case illustrates the challenges faced by family business consultants.

### Thomas Gems

Seventy-five-year-old Mort Thomas has worked in the jewelry business for almost fifty years. He first worked with his uncle and then opened his own store, Thomas Gems, forty-five years ago. The business has grown, and Mort now owns eight stores with ninety employees and total annual sales of approximately \$12 million. Mort's wife, Shirley, died six years ago after battling cancer. Before Shirley became ill, Mort had considered cutting back on business. Yet, devastated by his wife's death, he changed his mind about retiring. He was left wondering, "What should I do with all this time on my hands?"

His two sons, Mark, 48, and Steve, 44, are in the business. Mark is the general manager, and Steve is in charge of marketing and sales. Mort is president and owns all the equity in the company. Although he has told everyone that Mark will succeed him as president, Mort has not done any formal succession or estate planning. The brothers argue constantly in the office. They each report every argument to Mort, who tries to resolve their disagreements, usually without success. Mort says the current conflicts are killing him, and he can't even think about succession planning until his sons begin to get along better. The family issues are beginning to spill over into the business. Nonfamily managers are often dragged into the siblings' battles during management meetings. The



BY  
JANE HILBURT-DAVIS &  
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PHOTOGRAPHY BY  
BRADLEY SLADE



employees are all affected, and they report that morale is at an all-time low.

Mort comes to the office every day, even though he no longer has any formal duties. Mark notes that Mort is “driving him nuts” because he still wants to be involved in day-to-day operations. The manager of one of the stores, Tom, who has been with the company for fifteen years, is now threatening to leave. The HR director has encouraged the brothers to hold executive management meetings, but each meeting ends in an argument.

Despite the situation, the business continues to expand and be profitable. Mort has little in savings or retirement; his assets are all in the business. His attorney, David, has worked with him for thirty years and has given up trying to get him to create an estate plan. Over the years, Mort has made secret deals with his kids, loaning them money as they ask. He says he can't say no. Mark just asked Mort for a \$21,000 loan.

What makes consulting to family businesses unique and significantly different from working with nonfamily enterprises? The differences are in four areas: systems perspective, process/content, multidisciplinary teamwork, and emotions.

### **Systems Perspective**

Traditional advisors and consultants work in the three systems of a family firm—ownership/governance, business, and family systems—often as if they were separate and distinct from one another. For example, organization consultants work largely within the business systems, and family therapists usually deal only with the family. What distinguishes family business consultants is

that they work in the interface of the three systems (See figure 1).

Family business consultants may help a family define job descriptions, compensation, and benefit packages. This work includes not only improving the relationships (family system) but also involves succession planning of both the ownership and management and improving employee morale (business system). Without the skills, training, and experience to maintain a systems perspective and work with all three systems, the consultant will not be able to create lasting changes. A family business consultant has no choice but to work in the interface of the three interacting circles and must be prepared to deal with issues in each.

Improving employee morale by team building would be a short-term solution that would not last without reducing tension among family members. The family tension was related not only to succession and estate planning issues but also to Mort's unresolved grief. Basic understanding of systems is crucial for this work. An organization consultant may do a terrific job communicating in the stores as well as working with the management team, but unless family issues are resolved, benefits would be short lived.

### **Process/content**

Traditionally, the OD consultant has focused on the process of change. In working with family businesses, the consultant must be able to provide information and manage the change process. Content and technical expertise, as well as knowledge of the change management process, is needed to work with family businesses. The advisor must know the difference between process and content, understand the importance of each, and use both as the situation indicates. The family business consultant who works with the Thomas family must answer specific questions about the estate plan, transfer of ownership, and management issues in the succession process, as well as manage and guide the organization's changes.

Most change efforts in family businesses are unlikely to succeed unless the consultant uses the right combination of content and process. Figure 2 indicates that the information/content and emotion/process input exist in a reinforcing loop. Improvements in the technical side, such as a sound estate



plan or clear roles and responsibilities, promote healthier relationships and support good business practices. This is why multidisciplinary consulting teams are essential when working with family businesses, since no single professional has all the content information and process skills needed.

It is unrealistic for organization development professionals to understand the complexities of estate planning, but it is critical when working with family businesses to understand the tax consequences of not having an estate plan. OD consultants should be familiar with corporate and governance structures and key psychological issues, such as family developmental life cycles and the impact of crises on family dynamics. It's often necessary to delegate critical duties to an accountant or attorney or to work in a multidisciplinary team.

### Multidisciplinary Teamwork

Family business consultants come to the field from a variety of professions such as accounting, law, family therapy, and organizational development. Each of these disciplines has knowledge and expertise critical to helping family businesses. Multidisciplinary work is not unique or new to family business advising. OD consultants, in particular,

appreciate the advantages of teamwork, yet too often they attempt to tackle the complexities of family businesses alone. These complexities can overwhelm those who have previously worked independently.

In order to gain the benefits of a team approach, professionals must understand what each has to offer and how they can work together. There are team models based on how often advisors work together, the level of coordination, and the members' commitment to the team.

1. *Consulting (Interdisciplinary) Team*—A pre-existing team hired by a client
2. *Collaborative (Multidisciplinary) Team*—Advisors from different disciplines who meet, get to know each other's work, and bring one another into client situations on an as-needed basis or in a shadow consulting function
3. *Accidental Team*—Advisors who meet and connect only through the client, then coordinate their efforts
4. *Dysfunctional Team*—Advisors unknown to one another, with no coordination, even if working with the same client

Although consulting teams offer more comprehensive advice, they also pose chal-

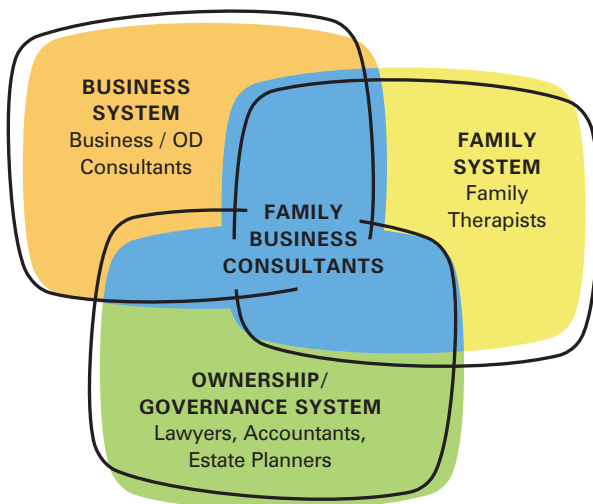
lenges. The client will not improve if served by a therapy team that has problems of coordination, competition, or conflict. Any team must deal with the following questions before beginning the work:

- Who will be the quarterback?
- Who will see that the work is coordinated?
- How will the billing be handled?
- How will differences of opinion be managed?
- Who will be the liaison to the client?
- How will the client be sold on the multidisciplinary team?
- How will competition for the best idea or the best recommendation be dealt with?
- How will everyone find the time necessary to plan for the tasks of team maintenance as well as meeting the client's needs?

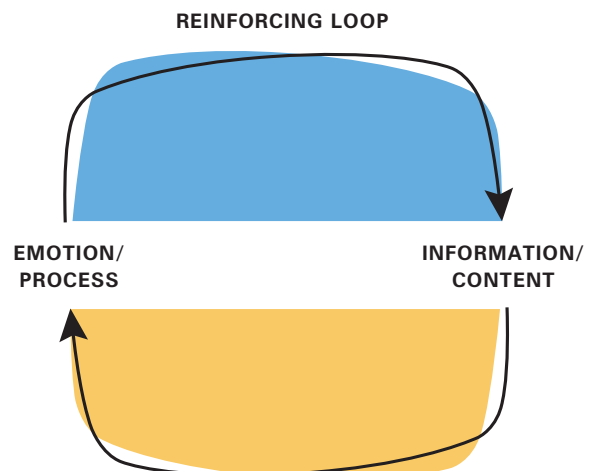
The ethical issues of each profession will also need to be addressed.

- Lawyers ask: Who is my client?
- Therapists ask: What are the issues of confidentiality? What are the boundaries?
- Accountants ask: What are the financial priorities, and how do they fit into

[FIGURE 1] Components of Family Business Consulting



[FIGURE 2] The Reinforcing Loop of Information/Content and Emotion/Process



[Comparison of Family and Business Systems]

AREAS OF CONFLICT	FAMILY SYSTEM	BUSINESS SYSTEM
GOALS	Development and support of family members	Profits, revenues, efficiency, growth
RELATIONS	Deeply personal, of primary importance	Semipersonal or impersonal, of secondary importance
RULES	Informal expectations ("That's how we've always done it")	Written and formal rules, often with rewards and punishment spelled out
EVALUATION	Members rewarded for who they are; effort counts; unconditional love and support	Support conditional on performance and results; employees can be promoted or fired
SUCCESSION	Caused by death or divorce	Caused by retirement, promotion, or departure
AUTHORITY	Based on family position or seniority	Based on formal position in the organization's hierarchy
COMMITMENT	Intergenerational and lifetime; based on one's identity with the family	Short-term; based on rewards received for employment

the family priorities and values? How are the intangible assets of the family included in the valuation?

- Organizational development consultants ask: What do I do with the conflict in the family that is causing low morale among the nonfamily employees?

This leads us to the final significant difference between traditional OD consulting and family business consulting: emotions.

## Emotions

Another unique issue of consulting to a family business is emotion. While emotions influence individuals in all workplaces, family businesses are especially emotionally charged. Clients may become angry, bear long-standing grudges, scream, and cry in both family and work settings. Entrepreneurs, who often lead family businesses, are noted for being rather volatile and difficult to work with. Changes during the consultation may upset previously established patterns of behavior and communications; this causes intense emotions

to surface. Rewards, benefits, ownership, family, and work role definitions are also altered. Consultants must be prepared to help their clients work through emotions as changes are made to improve the health of the family and the business.

Roger Harrison's article "Choosing the Depth of Organizational Interventions" describes a useful framework for analyzing the depth of interventions in family firms. Consultants to nonfamily firms must also consider this but are not usually dealing with the depth and intensity of such long-standing emotions that can simmer in families. The questions below examine the application of Harrison's framework to the Thomas Gems organization.

## Levels of Intervention at Thomas Gems

**LEVEL 1**—Analysis and development of operations

- Who does what job; what is the governance structure; how is the company doing?
- What are the job descriptions of every-

one, family and nonfamily, and how are they decided?

- Who makes ownership and management decisions?
- What is Mort's plan for succession?
- Is there a board of directors with outsiders, and how does it function?

**LEVEL 2**—Individual performances and structures for implementation

- Who are the best people for which jobs?
- Who trains employees?
- Is there an employee handbook?
- What are the hiring/firing policies?
- What are the policies for the next generation entering the business?

**LEVEL 3**—Analysis of working relationships

- Does the family have a mentoring program for incoming family members?
- Are family council meetings held, and how do they work?
- What is the reward system?
- How does the family make decisions or plan strategically?



#### LEVEL 4—Interpersonal relationships

- How does the family communicate or solve problems?
- How do Mark and Steve make decisions for the business?
- What are the family values; do they steer the business?
- What are the family dynamics?

#### LEVEL 5—Intrapersonal analyses

- What are the issues for Mort in his inability to let go?
- What, if any, is the unresolved history of the sons' conflicts?
- Is therapy needed?
- How long term and deep are these unresolved issues of grief, miscommunication, and inappropriate behavior?

#### Determining the right intervention:

- Each level requires specific skills and competencies.
- The technical and emotional exist in a reinforcing loop. The more hidden and private the issues are (Levels 4 and 5), the more difficult and sometimes risky these issues are to access and change.
- The benefits of Levels 4 and 5 are less transferable in nonfamily businesses but more transferable in family businesses. The emotional impact is greater, especially when dealing with owners and upper-level management.
- If focusing on the technical issues fails to get a response, then it may be appropriate and necessary to move to the emotional levels.

- Don't start with the emotional levels, but always be ready for them.

Integrally related to the intense emotionality of families in business is the ability of consultants to identify and resolve their own emotional struggles. If they have not worked through their experiences, whether negative or positive, personal agendas may take over or, worse yet, consultants may become ineffectual. This risk is considerably higher when working with family businesses than in traditional firms. If consultants acknowledge their triggers, they are less susceptible to the family's pull, and they won't confuse their reactions with the client's. Consultants should jump into tough situations with courage and wisdom and use feelings as data and keys to solutions, rather than acting them out.

This does not mean putting your feelings aside, but you need to examine them and use them strategically. What you know about yourself and your client can make the difference between a success and failure in the engagement.

Family businesses introduce specific challenges and require special skills, but the rewards are inherent. Firms like Thomas Gems not only overcome problems, but the families can also experience improved relationships. Although each family business has certain common patterns and issues, each one has a unique history, dynamic, and theme. Organization development consultants must learn more about these unique systems before working with family businesses. **M**

#### About the Authors

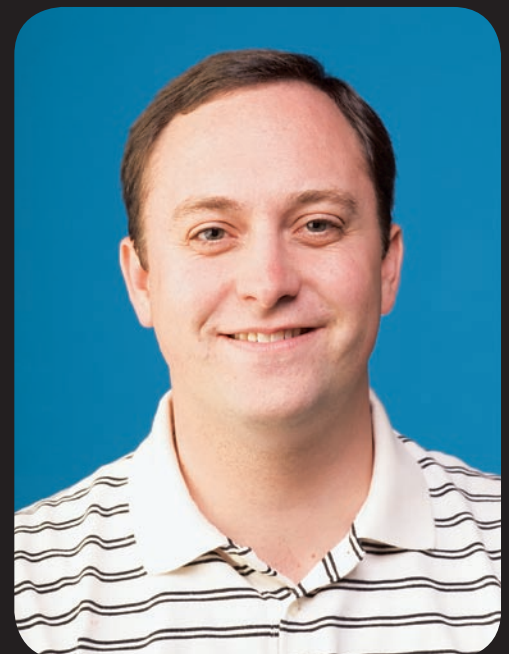
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## Three musts for consultants

- [1]** Intervene at a level no deeper than your skills and training allow. For example, at the deeper levels, a qualified, licensed therapist may be required to manage the intensity of emotional reactions or to treat an individual with serious mental health issues.
- [2]** Intervene at a level no deeper than that described in the initial contract without getting permission from the client system.
- [3]** Communicate regularly with your consulting team or other advisors involved with the family business to make certain that you are working toward the same goals.







# EXERCISING

# RIGHTEOUS

# INFLUENCE

*By Lee Tom Perry  
Photography by Bradley Slade*

is also important that it is finished on time.

George's boss called this morning, looking for someone to help write his board presentation, which is three weeks away. It is a compliment for someone from George's section to be asked to do this, and it would be an excellent development opportunity for one of his people. Omar is the ideal candidate for this assignment, but he has made plans to take his family to Disney World and purchased nonrefundable tickets three months ago (after checking with George to ensure there were no work conflicts). Tess is also a capable writer and could benefit from the exposure, but George knows if he pulls her away from the reservoir database project, it will fall further behind schedule. He has seen her in the office the past three weekends, and he knows she is feeling tremendous pressure to get her part of the project back on schedule. As George considers others, he realizes that nobody else would be suitable for assisting with the board presentation.

George calls Omar and offers to have the company pay rebooking fees if Omar delays his vacation three weeks. Omar thanks George but explains that his wife and children have been planning the trip for nearly a year. "I checked this out with you a long time ago," protests Omar, "and you were completely fine with it."

What should George do? He realizes he could order Omar to delay his vacation. Besides, isn't he really only thinking of what

is best for Omar and his career? George doesn't want to tell his boss that he can't help him, and he doesn't want to take Tess away from her work.

## INFLUENCE AND ACCEPTANCE

Chester Barnard, an early and influential management theorist, offered George a useful way to think about his leadership challenge. Barnard proposed that when superiors give their subordinates assignments, there is a "range of acceptance" within which assignments are received. He described this range as three zones: 1) a zone of resistance, where assignments are rejected unless extreme pressures are applied; 2) a zone of compliance, where influence must be exercised, but it need not be extreme or excessive for an assignment to be accepted; and 3) a zone of indifference, where subordinates will accept assignments, whether or not influence is applied.

Barnard's three zones of acceptance provide two key insights. First, when a leader's influence crosses the line between the zone of compliance and the zone of resistance, they have likely overstepped their authority. George should not apply extreme pressure by questioning Omar's commitment to the group, threatening him with a poor performance review, or pushing his guilt buttons. The challenge for George is finding the line between persuading and forcing, which is different for Omar than it would be for anyone else.

Second, a leader's ability to influence is based on power. Generally, there are two sources of power: position power and personal power. For example, control over information is an aspect of position power; expertise is a source of personal power. Empirical research suggests that while the use of personal power is more effective overall, the most successful leaders use a combination of position and personal power.

In an episode of M\*A\*S\*H, Colonel Potter is called to Seoul and leaves Hawkeye in charge. Hawkeye, who instinctively challenges authority, experiences what it's like to be in charge, and on several occasions, he oversteps his authority. When Potter returns, he sits down with Hawkeye and B.J., who are feuding about B.J. violating one of Hawkeye's orders. Potter lets the two surgeons go at each other and remains quiet until Hawkeye tries to enlist his support. "Why aren't you helping me?" Hawkeye asks. "You should be in the middle of this. You're the commander."

Colonel Potter replies, "And I'm acting like one, staying out of it 'til I'm needed. It's all in the timing, son. There's a time to step in and a time to back off. Pull the reins too tight and the horse will buck."

Leadership is all in the timing. Leaders are vested with authority, but just because they have it does not mean all of them know how and when to use it. Watching someone who has grown accustomed to having authority, makes leading look natural and easy, but appearances can be deceiving. Effective leaders are always recalculating, reorienting, and readjusting to new circumstances. Leaders strive to know others well enough to anticipate their reactions, but one cannot account for the range of possible reactions. Therein lies the dilemma: how do you know when to step in and when to back off?

## WHAT SHOULD GEORGE DO?

George is a section supervisor at Pinnacle Production Research Corporation. George's section has primary responsibility for the reservoir database project, and he has assigned three of his key people to that project—Tess, David, and Gene. The reservoir database project is way behind schedule. George knows the project is extremely important to Pinnacle's management, and it

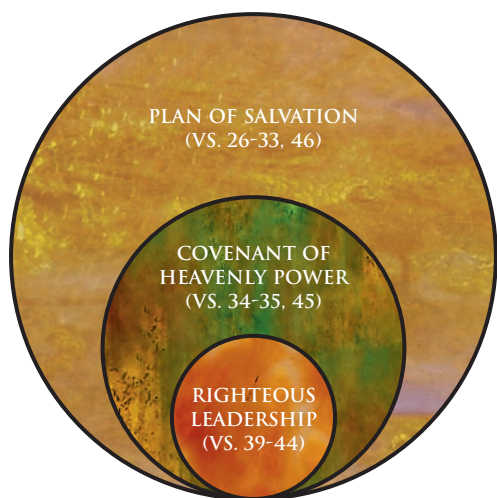


FIGURE 1.  
D&C 121:26-46

George can exercise his position power as Omar's boss and also his personal power, based on compelling rationale. The more George relies on personal power the better.

#### WHAT IF . . . ?

The above analysis of George's decision is pretty standard—based on insights from management theory. But what if George were a member of The Church of Jesus Christ of Latter-day Saints? According to instructions in Doctrine & Covenants 121, righteous Church members have special insights and power available to them. Elder Neal A. Maxwell called verses 41–44 of section 121 the “supernal spiritual style of leadership.” They read:

41. No power or influence can or ought to be maintained by virtue of the priesthood, only by persuasion, by long-suffering, by gentleness and meekness, and by love unfeigned;

42. By kindness, and pure knowledge, which shall greatly enlarge the soul without hypocrisy, and without guile—

43. Reproving betimes with sharpness, when moved upon by the Holy Ghost; and then showing forth afterwards an increase of love toward him whom thou hast reproved, lest he esteem thee to be his enemy;

44. That he may know that thy faithfulness is stronger than the cords of death.

These are likely the most profound and concise sentences written about leadership.

We learn that answering the questions of how and when to step in deals as much with the leader's readiness (are his/her

motives correct and pure?) as the needs of the persons he or she leads. If a leader's intent is not right, it may be better for him or her to back off and make some internal adjustments before stepping in. Ideally, when leaders step in they practice righteous influence, not unrighteous dominion; when they back off they want to practice righteous self-control, not unrighteous neglect.

Fully understanding and appreciating verses 41–44 also requires attention to the surrounding verses.

#### THE PLAN OF SALVATION

The “supernal spiritual style of leadership” (D&C 121: 26–33; 46) is a doctrine nested inside knowledge about the plan of salvation and the covenant of heavenly power (See figure 1). In verses 26–27 of section 121, knowledge is discussed “that has not been revealed since the world was until now.”

26. God shall give unto you knowledge by his holy Spirit, yea, by the unspeakable gift of the Holy Ghost, that has not been revealed since the world was until now;

27. Which our forefathers have awaited with anxious expectations to be revealed in the last times, which their minds were pointed to by the angels, as held in reserve for the fulness of their glory; . . .

This is knowledge about the plan of salvation shared during our premortal existence. How do we know this knowledge was revealed to us in premortality? The answer is in the text of verse 26. Why would it be described as knowledge “that has not been revealed since the world was” unless it was revealed before the world was? Because our forefathers are awaiting the knowledge, this seems more specifically to be knowledge about the temple and the saving ordinances for the dead.

In verse 46, the topic of discussion returns to the plan of salvation, shifting into the future and focusing on the rewards received by the righteous.

46. The Holy Ghost shall be thy constant companion, and thy scepter an unchanging scepter of righteousness and truth; and thy dominion shall be an everlasting dominion, and without compulsory means it shall flow unto thee forever and ever.

Why is it important to understand the “supernal, spiritual style of leadership” in the context of the plan of salvation? After Zion was lifted into heaven, Enoch beheld many things as the Lord revealed His eternal plan. In Moses 7:32–33, the Lord instructed Enoch about two doctrines fundamental to the plan of salvation and particularly important to understanding righteous influence: 1) respect for man's agency, and 2) love for one another (the second great commandment or what Elder Maxwell called our “social stewardships”). Juxtaposed, these two doctrines create a dynamic tension. Remember Colonel Potter's statement: “There's a time to step in and a time to back off.” The gospel of love encourages people to step in when others need assistance, but the doctrine of agency reminds us there are also times when others are better served if we back off.

The core doctrines of the plan of salvation teach us that the “supernal, spiritual style of leadership” encompasses both righteous influence and righteous self-control. The decision whether to exercise righteous influence or righteous self-control is a difficult one for righteous leaders. Of course,

*If a leader's intent is not right, it may be better for him or her to back off and make some internal adjustments before stepping in.*

the Holy Ghost can guide such decisions, providing the particulars—exactly what to do as well as when and where to do it. An understanding of the doctrine of agency in relation to man's “social stewardship,” provides the necessary context for these challenging leadership decisions.

When George considers what he should do with Omar, he is probably better off thinking of himself as exercising influence, not authority. He exercises influence by advising Omar about the benefits



he receives from helping with the board speech. Coercion is not an option—Omar must see for himself a connection between his personal goals and the organization's goals and choose to do what George wants him to do. Ultimately, George's primary concern should be Omar's welfare, and even if Omar's choice is contrary to what George believes to be best for him, George must respect it.

#### THE COVENANT OF HEAVENLY POWER

The covenant of heavenly power is the agreement by which man assists God in accomplishing the plan of salvation and righteous leaders receive divine, enabling help. In Doctrine & Covenants 121:36, the covenant states that the powers of heaven may be exercised only upon the principles of righteousness.

Verse 45 of section 121 completes the covenant of heavenly power (revealed in verses 34–38) and lists the three essential principles of righteousness—be full of charity, exercise faith, and maintain virtue. If leaders follow these three principles their confidence will “wax strong in the presence of God,” and the “doctrine of the priesthood shall distil upon [their] soul as the dews from heaven” (D&C 121:45). Verse 37 cautions that priesthood power will be withdrawn if holders hide their sins, gratify their pride and vain ambitions, or practice unrighteous dominion.

37. *That they may be conferred upon us, it is true; but when we undertake to cover our sins, or to gratify our pride, our vain ambition, or to exercise control or dominion or compulsion upon the souls of the children of men, in any degree of unrighteousness, behold, the heavens withdraw themselves; the Spirit of the Lord is grieved; and when it is withdrawn, Amen to the priesthood or the authority of that man.*

45. *Let thy bowels also be full of charity towards all men, and to the household of faith, and let virtue garnish thy thoughts unceasingly; then shall thy confidence wax strong in the presence of God; and the doctrine of the priesthood shall distil upon thy soul as the dews from heaven.*

The covenant makes plain to us both the principles of righteousness and unrighteous-

ness, as depicted in figure 2.

When used by itself, the word charity evokes a desire to help and assist our brothers and sisters. It is a principle of lifting others. Contrasting charity to unrighteous dominion helps us understand that charity is broader; unlike unrighteous dominion it includes deep respect for man's agency.

The comparison between faith and gratifying pride and vain ambitions is only understood in the context of the plan of salvation. Unrighteous leaders gratify their pride and vain ambitions in the headlong pursuit of their personal agendas, in lieu of having faith in and pursuing God's plan for them. Since they stubbornly and conceitedly follow their own course, they are left to themselves, “to kick against the pricks, to persecute the saints, and to fight against God” (D&C 121:38).

The comparison between covering sins and having virtue is an easy one to make. In Matthew 23, the Lord likens the scribes and Pharisees, both leaders in the Jewish faith, to “whited sepulchres,” which appear beautiful on the outside, but which are filled with “dead men's bones, and all uncleanness” (verse 27). If leaders are virtuous at the core of their character, they submit to Christ and resist the temptation to cover their sins.

In order for George to exercise righteous influence, he must be righteous. The principles of righteousness require an outward focus on blessing others' lives, an inner faith and conviction to follow God's plan, and an overall purity of thought and action. With these influences, not only are George's motives made righteous as he exercises personal and position power, he also becomes a chosen conduit through which the powers of heaven flow. He is now better able to see Omar's heart and know how to act.

Righteous leadership is God's leadership. As Church and family leaders exercise more righteous influence and the patterns of unrighteous dominion fade away, they become more like God. The process begins as emulation, but ultimately ends in sancti-

fication through charity, faith, and virtue.

#### EXTRAORDINARY RETURNS

As associate dean, I spend a great deal of time helping form partnerships between the Marriott School and corporations. Many of the senior executives at companies I visit think that the Marriott School graduates they hire are exceptions to the rule. They cannot reconcile how a relatively isolated, non-Ivy League business school with a small graduate program can produce such outstanding graduates. They, therefore, conclude they must be getting only the cream of our small crop.

The answer of course runs much deeper. There are numerous reasons why our graduates are exceptional. I favor two explanations. First, Marriott School graduates



FIGURE 2.  
CONTRASTING PRINCIPLES OF UNRIGHTEOUSNESS AND RIGHTEOUSNESS

have a unique advantage—they are able to professionally apply what they learn about leadership from the scriptures and Church experiences. Their lives have added demands, but their growth and development are vastly accelerated. Second, Marriott School graduates receive remarkable returns from the Lord—as they exercise righteous influence and live the principles of charity, faith, and virtue they are infused with powers beyond their own—bolstered by the powers of heaven, they accomplish extraordinary things. **M**

#### ABOUT THE AUTHOR

Lee Tom Perry is an associate dean at the Marriott School and the Sorenson Family Professor of Organizational Leadership and Strategy. He earned his PhD in administrative sciences from Yale University and his MS in organizational behavior and BS in university studies from BYU.

This article is adapted from Righteous Influence: What Every Leader Should Know about Drawing on the Powers of Heaven published in 2004 by Deseret Book.

# OUTSIDE THE TANNER

INSIDE THE TANNER BUILDING THEY'RE PROFESSORS  
WHO TEACH FINANCE, ETHICS, MARKETING, ACCOUNTING, AND  
A HOST OF OTHER SUBJECTS. BUT, HAVE YOU  
EVER WONDERED WHAT THESE NOTABLE PROFESSORS  
DO IN THEIR SPARE TIME?

HERE'S A LOOK AT WHAT A FEW OF OUR TALENTED  
AND SOMETIMES ADVENTUROUS FACULTY MEMBERS DO  
WHEN THEY'RE  
OUTSIDE THE TANNER.

BY EMILY A. SMURTHWAITE, EDITOR > PHOTOGRAPHY BY BRADLEY SLADE







## ^ BILL SWINYARD

**AS A FRESHMAN AT BYU,** Bill Swinyard spent most of the year working on his 1929 hot rod and racing it at the Bonneville Raceway. But this pastime started well before his college days; he attributes this avocation to growing up in Chicago during the 1950s and spending time with a group of hot-rodders in his ward.

Swinyard has lost count of how many cars and motorcycles he's rebuilt but estimates he worked on at least twenty-five before his mission. "I love anything that has knobs, buttons, pedals, or makes mechanical noises," Swinyard says.

Swinyard built a separate two-car garage next to his house to accommodate his hobby. It took him nearly three years to complete

his latest project—a 1932 Ford, which he even painted himself. "Some weeks I would spend one or two hours each evening and Saturday working on the car and then go a month without working on it," he explains. "At one point I had ten pounds of wire, a circuit board, and one page of instructions. It took me months to get up the courage to wire the car."

Swinyard has won a handful of first-place awards and many other honors at car shows over the years; he'll attend five to ten a year, depending on his schedule. "I enjoy attending shows—not for the competition—but to enjoy the people and the other cars. Sometimes it feels like you're on another planet," he says.

Instead of racing his rebuilt car at the drag strip, Swinyard reserves his restored Ford for small errands around his neighborhood and trips to rod shows. The car, which he registered in 2001, has 4,500 miles on it. "I don't take it on long trips," he says, "I'll usually just run down to the grocery store in it, or my sweetheart and our dog will join me in a cruise around the lake on a nice day."





**WHEN HAL GREGERSEN WAS SIXTEEN** years old, he broke his leg skiing on Christmas day. In an attempt to cheer him up, Gregersen's parents bought him a camera. The unexpected gift turned out to be the beginning of a lifelong hobby.

"I took a gazillion pictures with that camera," Gregersen recalls. "By my senior year of high school, I was photographing weddings and doing portraits, which helped me pay for college."

## ▲ HAL GREGERSEN

Now Gregersen's pictures tend to focus on his grandchildren and outdoor scenery. "I love taking pictures of the world and capturing people as they are," he says. "It's almost meditative for me to get fully absorbed in nature. I love the way light gets captured in roses. I'm also entranced by the sun's rays."

When Gregersen travels it's not unusual for him to get sidetracked by photo opportunities. "My wife, Suzi, and I were recently visiting Majorca Island, off the coast of Spain. We were planning on going for a drive around the island, but we stumbled on an old church five minutes from the hotel and spent all afternoon and evening there—she sketched, and I took pictures."

The hobby he picked up years ago to help him escape his broken leg continues to be a diversion for Gregersen, helping him focus and relax. "Photography is a way for me to connect with others on an intimate level and grasp who they are. It's a contemplative space for me to forget every care in the world and focus on God's creations," he says. "It's a given at my house that if there's a beautiful sunset then I'm going to leave the dinner table to photograph it."

**MARK ZIMBELMAN SAYS** that although he and his brother, Dave, are different in most aspects, he's grateful they share one passion—cycling.

And while most siblings protest about receiving hand-me-downs, Zimbelman didn't complain when his brother passed on a bicycle. "My brother was a professional cyclist. He introduced me to the sport about twenty years ago and gave me some equipment to get started," he says.

Zimbelman, who typically cycles five to ten hours each week, started competing while a grad student in Arizona. In 1995, he took tenth in the Tour de Tucson, in which about two thousand cyclists race more than one hundred miles. He generally places in the top ten for his age group in larger races and in the top five in smaller races.

Zimbelman, along with other cycling friends including fellow faculty member Dave Stewart, has participated twice in the Logan to Jackson Hole (Latoja) race. Latoja covers about two hundred miles as it leads its one thousand participants through three states and up seven thousand feet; it's the longest one-day race sanctioned by the United States Cycling Federation. In 2003, Zimbelman placed 26th overall in Lotoja while competing against cyclists half his age.

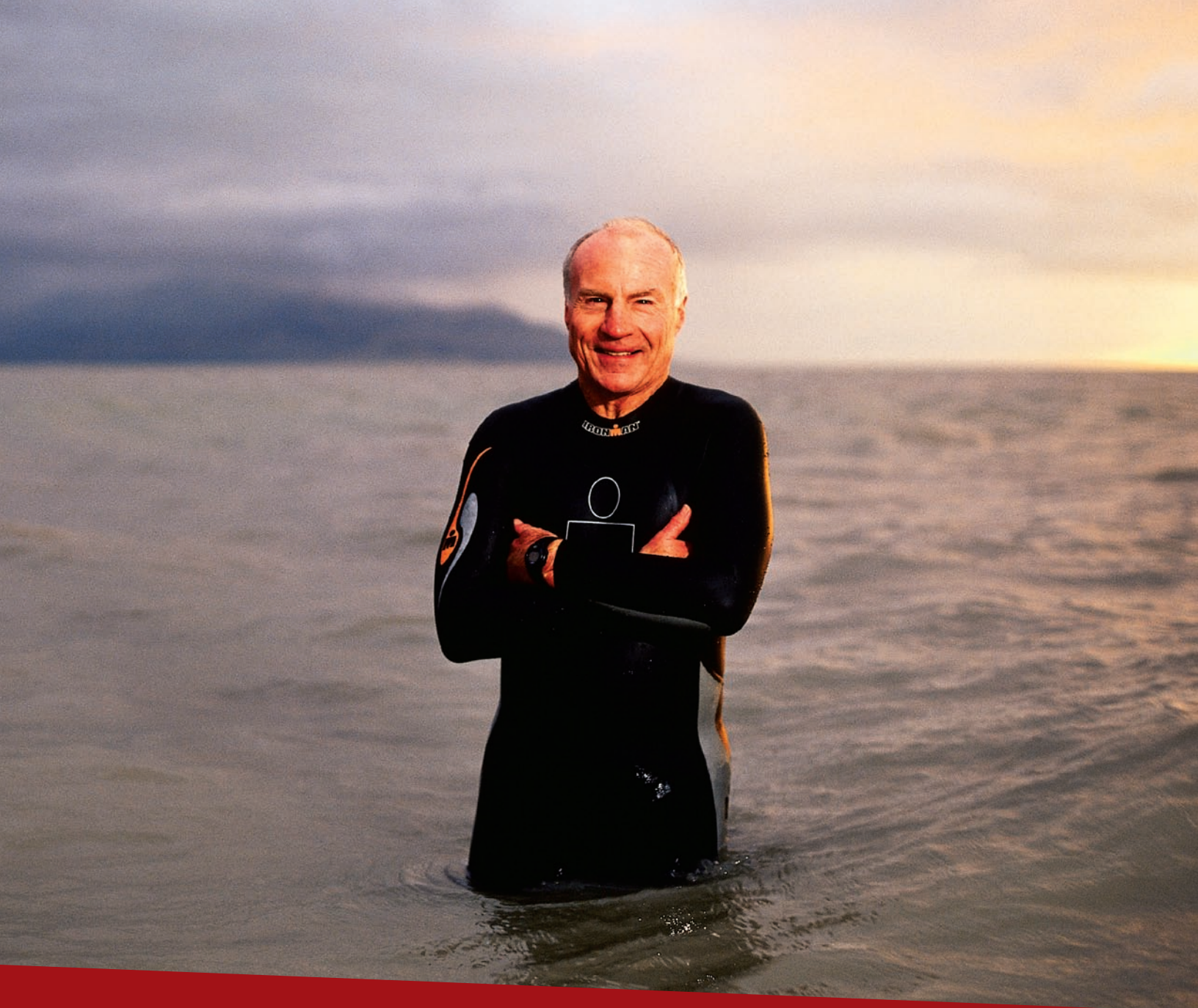
Although Zimbelman cycles competitively, the personal benefits of cycling are most rewarding to him. He'll multitask and think through work, church, and family challenges while cycling. When he's working out on his stationary bike, he'll pick up a book or academic article. Zimbelman says he especially enjoys cycling with his friends and family; he recently gave his wife a road bike and mountain bike, and the two often accompany each other on bike rides.

## MARK ZIMBELMAN ▼

This pastime he acquired from his brother has Zimbelman hooked on exercise. "I think exercising is as important as getting good sleep and eating good food to be happy, productive, and healthy—I'm sold on aerobic exercise," Zimbelman says. "It helps me manage stress and handle life's demands."







THREE PICTURES HANG in James Hansen's office—one of him swimming, one of him biking, and another of him running. These photos were snapped at various Iron-man triathlons that include a grueling 2.4-mile swim, 112-mile bike ride, and 26.2-mile run.

Hansen, Glen D. Ardis Professor of Information Systems, doesn't just participate in the races—he's taken third place in his age group, 60–65-year-old males, three times.

While vacationing in Hawaii with his wife, Lynne, Hansen was intrigued by watching a triathlon in Kailua Bay. Although he had completed twelve marathons, the swimming portion of a triathlon was daunting. Nonetheless, he decided to give it a try at the Iron-man Canada competition in 1996.

Weekly bike rides and runs, coupled with multiple swims, are what keep Hansen trained for these demanding competitions. "In addition to the physical benefits, training helps me mentally relax,"

## JAMES HANSEN ^

says Hansen, who completed his tenth Iron-man last summer. "Moreover, I have three sports to choose from—if I don't feel like biking one day I'll go swimming instead."

Iron-man competitions are day-long events; entrants begin the race at 7 a.m. and have until midnight to finish. "The person who finishes last receives the biggest cheers," he explains. "The crowd will run with him or her until the finish line. It's great to see that support."

Hansen is quick to point out that just about anyone in normal health can compete in triathlons—there's even a seventy-three-year-old nun who regularly participates in the races. "I could beat her now, but I'm sure when she was younger she could have taken me," Hansen concedes. "Iron-man competitions are an enjoyable way to stay fit; I would recommend them to anyone who enjoys a challenge and can keep things in perspective."



**SITTING BEHIND THE WHEEL** of her '94 Camaro Z28, Kristen DeTienne insists she's a safe driver—and she is. But on weekends when she's competing in autocross racing events, she's one fast driver. "It's fun to participate in a sport where it's legal to drive without speed limits," she says.

DeTienne, an organizational leadership and strategy professor, thrives on the thrill of autocross. In these events, drivers compete against the clock on a set course, usually about one mile long. Autocross racing is arranged through the Sports Car Club of America ([www.utahscca.com](http://www.utahscca.com)); it has divisions throughout the country and hosts national events. Drivers compete in divisions according to the car they drive.

DeTienne and her husband, David, attended their first autocross event about four years ago at the University of Utah. The experience piqued their interest, and they started participating with their Audi 80. "It's a very exhilarating and exciting sport—whether you're watching or participating. There's a lot of rubber left on the course at the end of the day," says DeTienne, who has to replace her tires about every four months. "It's a good way to get out and have fun."

DeTienne is introducing the Marriott School to her hobby; she's auctioned off an autocross ride in her

## KRISTEN DETIENNE ♡

Camero for the school's NetImpact Auction. She's also joined Craig Merrill when he raced his Cobra and is actively recruiting other faculty to participate in races.

Her oldest son, now nine years old and sick of being in the Camero's passenger seat, is already looking forward to his sixteenth birthday so he can follow his parents' path to the racetrack.



**WHEN NEIL BRADY TAKES WALKS** around his neighborhood in North Orem, people occasionally stop and stare—but that's to be expected when you're walking around with a falcon on your arm.

About nine years ago, Brady and his son Stephen became licensed falconers. When Brady first captures a bird, he'll take it on a walk in an effort to make the bird comfortable with him. The journey usually attracts interest from passersby, but he'll draw an even bigger crowd when he's trapping a falcon.

## ♡ NEIL BRADY

Capturing birds has taken Brady from parks in Orem to the front yards of million-dollar homes in Arizona. The first bird he trapped was a Red Tailed Hawk in Parowan, Utah. "The birds have different personalities—just like people," explains Brady, a management ethics professor at the Marriott School. "Some are mean and nasty, others are friendly and playful."

Brady will typically trap a bird in the fall and train it until the following spring. "Studies have shown that a baby falcon has a one-in-five chance of surviving its first year; if a falconer captures a bird, it has a four-in-five chance of surviving," he says. "Falconers actually promote the birds' well being, and when the birds are released into the wild, they're very successful."

Besides falconry, Brady enjoys exploring his other talents. He sings in the Mormon Tabernacle Choir, is a gifted artist, and once built his own telescope. "There's nothing I'm not interested in," he says. "I'll try something new and then move on, but being a falconer, artist, and singer have kept my interest the longest." **M**



# SCHOOL NEWS

## Wall Street Journal Ranks BYU MBA Fifth



The Marriott School's MBA program ranked fifth among regional schools in *The Wall Street Journal's* 2004 ranking of top business programs. The school came in second in the category "best for hiring graduates with high ethical standards" and fifth worldwide for its excellence in accounting.

"These high rankings are a reflection of the constant stream of exceptional students and faculty coming through our door," says **Ned C. Hill**, Marriott School dean. "We're thrilled that we continue to be known as a place to hire graduates with high ethical standards. And, we appreciate the added attention given to our specialization in accounting."

In addition to the rankings, corporate recruiters recognized BYU for high personal ethics and integrity, team orientation, and star potential. A marketing manager at Dell, Inc., was quoted saying, "The faculty seem to hone the students' analytical skills." Recruiters were also impressed with BYU students' global perspective and maturity.

For the first time since it began rating b-schools, the paper published three separate rankings: national (nineteen schools), regional (forty-four schools), and international (twenty-one schools). North American schools were categorized as national or regional. National schools generally had large programs with more than five hundred students, attracted a large number of recruiters, were private institutions, and were located in the Northeast. Regional schools typically had smaller programs, attracted fewer recruiters, and were spread more evenly across the country. The international rankings included eight European schools, ten national schools, and three regional schools.

This year's top five schools in the regional

category are: Purdue University, Vanderbilt University, Ohio State University, University of Maryland, and BYU.

The paper's 2004 rankings are based on responses from 2,849 recruiter surveys. Equal weight was given to perceptions of the school and its students, the likelihood of recruiting and hiring at the school in the future, and mass appeal—the total number of participating recruiters who recruit at the school.

The list of schools eligible for the rankings came from the Association to Advance Collegiate Schools of Business and discussions with experts in the field of MBA recruiting. Only 261 schools, 186 U.S. and 75 non-U.S., met the journal's rating requirements. Of those, seventy-one schools were ranked.

## STUDENT NEWS

### Student Earns Top Score on CIA Exam



In December, **John Montgomery** graduated from BYU with not only a master's degree in accountancy on his resume but also the highest student score on the Certified Internal

Auditor's (CIA) exam.

Montgomery received the highest score worldwide out of students sitting for the May 2004 exam. Only 18 percent of professionals and students who sat for the exam passed.

"He is one of the most determined, hard-working students I've ever known, which says a lot given the caliber of his peers in the accounting program," says **Monte Swain**, Deloitte Professor of Accountancy. "This achievement is an absolute credit to his determination and work ethic."

Montgomery took the exam in May 2004 in anticipation of his December 2004 graduation from the Marriott School. While CIA certification is not required to practice accounting, it is the recognized professional credential for internal auditors worldwide. Montgomery says the certification offers more opportunities for advancement within a firm. Upon graduation, Montgomery began working at Ernst & Young in Washington, D.C. He believes his best prepa-

ration for the exam was his BYU classes.

"I may have received the top score award, but it was the accounting professors who deserve recognition," Montgomery says. "I simply used what they taught me."

The first CIA exam was administered in August 1974 to 654 candidates in the United States. Today, the exam is offered in thirteen languages. In May 2004, more than 9,400 candidates took the exam at 228 sites in seventy-eight countries around the world. More than forty-seven thousand professionals have been certified through the Institute of Internal Auditors since the program's inception.

## BYU Management and Law Students Found Interdisciplinary Journal



*The International Law and Management Review staff and advisors.*

BYU management and law students have teamed to produce their first interdisciplinary journal. The new *International Law and Management Review* (ILMR) combines legal and business interests, giving students in both areas opportunities to participate on the journal's editorial board.

"Very few models of this interdisciplinary student publishing have ever been done," says James Backman, a law school professor and review advisor. "If it can be done, BYU ought to be able to accomplish it because of our international skills, background, and interest—and because of the very fine graduate programs here. We have all the right ingredients."

Although the new journal—scheduled to be published this spring—will be formatted like a traditional law review, the content will be tailored to practitioners rather than academics.

"Aside from the reality of having to work together, each school is giving their students a framework from which to approach problems," says **Kalani Morse**, a third-year JD/MPA student and review board member. "Each of those frameworks is very different. Getting them in

### MBA Student Recognized with National Scholarship



The National Black MBA Association (NBMBA) selected second-year BYU MBA student **Jamila Cutliff** as one of the top twenty-five MBA students in the country, naming her a 2004 Coca-Cola scholar.

"I didn't really expect it," Cutliff says. "I'm grateful that it happened, but if it hadn't happened, I'd be fine with that too. I'm more excited because it gives recognition to BYU and the MBA program."

Cutliff is one of only twenty-five nationwide who received a scholarship through the NBMBA. One hundred seventy-five minority students applied for the scholarships last

April; the winners were chosen according to criteria such as outstanding leadership and community commitment. Scholarship recipients were required to submit an essay, have several recommendations, and go through a series of interviews.

Cutliff received a monetary award and was recognized at the NBMBA's 26th Annual Conference and Exposition 14–19 September 2004 in Houston. The conference is the largest minority recruiting and networking event in the nation, attended by approximately eleven thousand business professionals, recruiters, executives, industry leaders, entrepreneurs, and students.

Prior to attending the Marriott School, Cutliff worked as an engineer for Procter and Gamble. She also started a nonprofit organization while pursuing an engineering degree at Cornell University. This past summer, she completed a supply chain strategy internship with PepsiCo.

"Jamila is an example for many of our students who see what she's accomplished," says **Louise Illes**, director of the Office of Service Learning and Diversity. "She's already had several offers for employment and will be one of our well-placed MBA students because of her tenacity, skills, and background. She's just absolutely amazing. She's got so much dynamism and charisma."

After completing her degree, Cutliff plans to work in packaged goods at the supply chain level. One of her career goals is to increase the number of black professionals in corporate America.

the same room together talking about the same issues is going to broaden their horizons."

BYU is the first university to produce a journal jointly between its law and management schools, but the review's subject matter is not entirely new. The law school at Northwestern University produces its own journal of international law and management, and many other law schools have recognized the natural cross-over between law and business.

The Marriott School and law school have shown support for the student-edited publication by providing faculty advisors: **Ervin Black**, associate professor of accounting at the Marriott School, and Backman at the law school. Each school has also supplied a part-time research assistant to help with the journal.

"We tend to work in our own little niche or silo," Black says. "This journal benefits students and gives them exposure to what is done in the legal world as well as the business

world. They're learning and appreciating both disciplines and thought processes."

Since the ILMR is still widely unknown, student editors face the challenge of procuring articles from practitioners, professors, and students. The board welcomes entries from alumni with legal or business backgrounds. For more information about the review, go to [www.ilmr.org](http://www.ilmr.org).

### Blind Student Addresses Graduates at Marriott School Convocation



Instead of having his speech outline scribbled on a 3x5 card, **Adam Rushforth** ran his fingers over a Braille outline as he addressed students at the Marriott School's August convocation.

Rushforth, who graduated with a business finance bachelor's degree, has coloboma, an iris defect, which began deteriorating his vision when he was young. The condition, coupled with glaucoma and detached retinas, has left him blind in his right eye and mostly blind in his left.

Despite this, Rushforth has maintained a positive attitude and a determination to achieve. "I've had discouraging moments, but I've never felt overwhelmingly discouraged," he says. "Growing up in the Church and having a good, eternal perspective has strengthened me. The support I've received from my family and friends has been the most helpful and influential."

From January to June 2003, Rushforth took time off from BYU to attend the Louisiana Center for the Blind. He was trained—with the computer screen turned off—to use Microsoft programs and the Internet by listening to audio cues through headphones. As a BYU student he worked at the University Accessibility Center teaching computer skills to other blind students.

Besides tackling the challenges of business school, Rushforth has also served a Spanish-speaking mission to North Carolina, built a grandfather clock, and maintained an impressive 3.97 GPA.

"I have always enjoyed business and have always been business-minded," Rushforth says. "Attending the Marriott School was a great experience, and I'm glad I had the opportunity."

### SilentWhistle Founder Wins 2004 Student Entrepreneur Competition



**Adam Edmunds**, founder and president of SilentWhistle, LLC, was named BYU's 2004 Student Entrepreneur of the Year. The first-place finish earned him \$12,500 cash and another \$12,500 in support services for his new venture.

Edmunds was one of five student finalists at BYU's 13th annual Student Entrepreneur of the Year Competition. **Paul Lowry**, founder of The Builder's Guide, placed second; Lawton



Smith, of System Technology, Inc., placed third; **Brock Henderson**, of Osmond Designs, Inc., placed fourth; and Kara Forrest, of Provo Fro-Yo, placed fifth.

A panel of successful entrepreneurs and venture capitalists selected Edmunds as the 2004 winner. His company, SilentWhistle, produces whistle-blowing software to help companies prevent illegal and unethical activities and provides public companies with compliance systems required by the Sarbanes-Oxley Act. SilentWhistle is the first company to develop a comprehensive web-based system for whistle-blowing, a process usually done by phone.

During the competition, each finalist gave a ten-minute PowerPoint presentation highlighting their business and fielded questions from the judges. Anticipation among candidates and audience members reached its height after the third-place winner was read.

"I psyched myself up to be second," Edmunds said. "So when they announced second place and it wasn't my name, I felt pure stun and excitement."

The judges, all founders of the BYU Center for Entrepreneurship, scored each presentation for management skills, business numbers, and entrepreneurial opportunity.

All five finalists left the competition with at least \$2,000 in cash and an additional \$3,000 in support services. The Student Entrepreneur of the Year competition began in 1992.

## FACULTY NEWS

### Marriott School Employee Named Controller of the Year



Marriott School Controller **Pamela Castillo** was recently recognized as BYU's "Campus Controller of the Year." She received this award—given annually—because of her

contribution to the quality of controllership, protection of BYU's economic interests, and

trusted business advice.

"Pamela does a great job keeping us all on the up-and-up when it comes to managing our budgets," says Dean **Ned C. Hill**. "She is well regarded for her ability to train other controllers within the Marriott School. We're very fortunate to have her working with us."

Castillo was one of about fifty controllers and assistant controllers considered for the award. Personnel from BYU's Department of Financial Services voted for the most qualified candidate, and the award was presented by BYU's CFO, Brian Evans, on 23 September 2004.

A native of Philadelphia, Castillo attended the University of Pennsylvania and BYU, completing her degree in accountancy in 1989. Castillo and her husband, Leonel, enjoy hiking, golfing, triathlon training, and reading. They have seven children and five grandchildren.

### Professor Recognized with Alcuin Fellowship



Brigham Young University awarded Marriott School Professor of Organizational Leadership and Strategy **William H. Baker** an Alcuin Fellowship at the

2004 Annual University Conference on 24 August 2004. The fellowship recognizes teacher-scholars whose university work has made significant contributions to the general education and honors curriculum.

"Bill has provided marvelous leadership to our education efforts in offering an outstanding advanced-level writing course for more than thirty years," says Organizational Leadership and Strategy Department Chair **Michael Thompson**.

Fellowship appointments are for three years and include a stipend for curriculum development, teaching, and research.

Baker began teaching at BYU in 1970 after earning his MS in business education from the Marriott School and his BS in business education from Southern Utah University in 1969. He earned his EdD in business education from Oklahoma State University in 1974. During his tenure, he has been awarded the prestigious Teacher of the Year award twice, in 1985 and 1986, and the Citizenship Award from the Marriott School in 2001.

### Professors Launch Online General Conference Scripture Index



From left: Stephen Liddle and Richard Galbraith.

Ever wonder what scripture is cited most often at general conference? Do you want to compare what General Authorities have said about a particular scripture? The intellectually curious and serious students of the gospel now have a new resource at their fingertips.

The online LDS General Conference Scripture Index, developed by BYU faculty and students, can be accessed at [scriptures.byu.edu](http://scriptures.byu.edu). The new service links all scriptures in the standard works to gener-

al conference talks. By clicking on a given verse, such as John 3:16, users can see the number of times it has been cited in conference, the sessions when it was cited, and who cited it.

"This web site makes me smart all of a sudden," says **Stephen Liddle**, Rollins eBusiness Center academic director who helped create the new tool. "I can find relationships that are not obvious to me when I sit down and read a conference talk or the scriptures. I've got access to these great minds in Church leadership over the past sixty to seventy years."

The General Conference Index, which is sponsored by the e-business center, includes a database of 348 speakers and general conference talks since 1942. Search filters allow users to sort information by scripture, speaker, date, and citation frequency. The index not only makes information more accessible but also has advantages over other online tools.

The idea for the new resource originated with Richard Galbraith, a professor in the School of Family Life who has a passion for the scriptures. Galbraith says the site positions the words of the scriptures alongside the words of modern-day prophets to give a full, unified picture. "If you need some insights on the scriptures, the General Authorities have thought about them and have beautiful insights," he says. "They are all seeing the same jewel—just different facets of it."

Though not an official Church publication, the new online scriptural index does link extensively to LDS-sponsored sites, such as [lds.org](http://lds.org), to display the text of scriptures and talks.

## NEW FACULTY

**Robert B. Couch**

**Robert B. Couch** is finishing his PhD in financial economics from Carnegie Mellon University, where he also earned his MS in economics. He earned both a BA in economics and a BS in Russian from BYU.

Couch's research interests include asset pricing, investments, corporate finance, financial intermediation, and real estate. He is a visiting professor of business management.

**Clark L. DeWaal**

**Clark L. DeWaal** completed a twenty-four-year career in international finance before joining the Marriott School. Most recently, he worked as chief executive for Deutsche

Bank in Hong Kong, during which time he also managed their financial institutions group. His experience extends to such positions as China treasurer for Motorola, Inc., and vice president of Continental Bank in Hong Kong.

DeWaal earned his MBA from the University of Michigan with an emphasis in corporate finance and international business; he earned his BA in history from the University of Utah. He is an associate teaching professor.

**James R. Engebretsen**

**James R. Engebretsen** comes to the Marriott School with nearly fifteen years work experience, having spent time at Lehman Brothers, JP Morgan, and Goldman

Sachs in New York and Philadelphia. He left Goldman Sachs in 1995 to set up his own hedge fund, Associates Capital Management, which he managed until he was called to preside over the Oklahoma City Mission.

Engebretsen earned his MBA and BS in economics from BYU. He is managing director of the Peery Institute of Financial Services.

**Robert J. Jensen**

**Robert J. Jensen** is finishing his PhD in strategic management and macro organization theory from the Wharton School at the University of Pennsylvania. He earned his MOB from the Marriott School and BA in his-

tory from BYU.

His research interests include management of knowledge and technology, global knowledge strategies, management of multinational firms, the evolution of business systems, organizational learning, managerial cognition in an international context, franchising, and trust. He is a visiting professor of strategy.

**R. Bruce Money**

**R. Bruce Money** joins the Marriott School after serving nine years on the University of South Carolina faculty. Money earned his PhD in marketing from the University

of California, Irvine. He earned his MBA from Harvard Business School and his BA in English from BYU. His international research interests include business-to-business marketing, services marketing, the measurement/influence of national culture, and negotiation.

Money has ten years of professional and nonprofit experience. Most recently, he worked for The Sakura Bank, Ltd., (now Sumitomo Mitsui) as vice president of the Los Angeles office. He has also served as partner in a consultancy to William E. Simon, former U.S. secretary of the treasury. He is an associate professor of marketing and international business.

**Troy R. Nielson**

**Troy R. Nielson** earned his PhD in business



administration from the University of Utah and his BS in information management from the Marriott School. He was an associate professor from 1998 to 2004 at Cal State San Marcos.

Nielson worked as a senior consultant for Andersen Consulting (now Accenture) in its Phoenix office from 1991 to 1994; he has also done consulting work for Proflowers.com, Executive Roundtables, Turn Community Services, University of Utah, and Intermountain Health Care. He is a visiting professor of management.

**Kurt Sandholtz**

**Kurt Sandholtz** earned his MOB from the Marriott School and BA in English from BYU. His professional experience includes positions as a managing director of

Zenger Folkman Co.; principal of Sandholtz Consulting, LLC; and vice president of New Product Development at Novations Group, Inc.

Sandholtz co-authored the book *Beyond Juggling: Rebalancing Your Busy Life*. One of his current research projects is "leadership cross-training," an effort to document how leaders improve their effectiveness by building on their strengths. Sandholtz is a visiting instructor of organizational leadership and strategy.

**Professor's Research Highlighted in *Harvard Business Review***

When Symantec, maker of the Norton AntiVirus software found on most desktop computers, purchased Orem's PowerQuest in December 2003, the company continued its long-standing strategy for growth, which has involved the acquisition of nearly twenty companies.

Symantec's approach to business building is highlighted in the August issue of *Harvard Business Review* in an article by **Jeffrey H. Dyer** that provides a framework for companies deciding whether to engage in alliances or acquisitions.

Dyer's research suggests that several factors be considered before companies make the decision to ally themselves with another company or acquire it. His article explores the factors that will prevent companies from making the wrong choice and hurting, rather than helping, business growth. Dyer is joined on the paper by Prashant Kale of the University of Michigan Business School and Harbir Singh at the University of Pennsylvania's Wharton School.

Some of the world's most respected companies have yet to develop an understanding of when to ally and when to acquire. "By using the alliance as a stepping-stone to an acquisition, companies like Cisco can acquire knowledge about the value of the partner's assets and see how well they collaborate before making the leap to acquisition," says Dyer, Horace Pratt Beesley Professor of Global Strategy. "Moreover, they are often in a position to preempt other bidders when they do decide to acquire. It's the best of both worlds."



## ALUMNI NEWS

## MANAGEMENT SOCIETY NEWS

**Panama Chapter Draws a Crowd**

The Management Society Panama Chapter may only have eleven members, but when they organized and sponsored a lecture on the ethics of trade, about two hundred people showed up for the event.

Businessmen, academics, and government officials assembled at the Universidad Latina de Panama on 24 August to hear Marriott School professor **Robert Crawford** speak about ethical considerations of free trade. The topic proved timely for those in attendance.

"There had not been a lot of explanation from governmental authorities on what a free trade agreement really is," says **Luis Cedeño**, Panama Chapter president. "Those who came were hungry for that type of knowledge since Panama is about to enter such an agreement."

In his speech, Crawford contrasted the concept of free trade with the concept of free speech, showing how both enable truth to rise. "If you have free trade people cannot cheat, because cheaters get discovered and they go out of business—just like liars get discovered



and they lose credibility," he says.

The ideas presented during the lecture helped empower the citizens of Panama. "They walked out with greater understanding of the topic and a clearer mind to make decisions about it," Cedeño notes. "Knowledge is sweeter when it is needed to make right decisions that will materialize in well-being for people."

Crawford's lecture generated curiosity about the Church, Marriott School, and Management Society. Many people have called Cedeño seeking additional information about

**Alumnus Takes Mentoring to the Masses**

After **Patrick Tedjamulia** graduated from the Marriott School, he landed a great job at Novell, thanks to an alum who helped get his foot in the door. Unfortunately, not all job hunters are lucky enough to have professional mentors, Tedjamulia says.

Tedjamulia first recognized the benefits of mentoring through participation in the Marriott School's mentoring program. About one thousand students participate annually in the program, which is a required course for all undergraduates. Students are able to select from nearly eight hundred volunteer mentors to find one whose expertise matches their interest.

"I can't even begin to list the number of professors, administrators, classmates, and alumni who served as mentors to me," Tedjamulia says. "One of the most important truths I've retained from BYU is that everything we learn we should share with others."

A desire to further extend mentoring opportunities motivated Tedjamulia to create the International Mentoring Network Organization (IMNO).

IMNO is a nonprofit organization and web site that connects aspiring professionals to experienced mentors. Members can ask questions online, conduct personal interviews, and read interviews posted by others. Mentors give advice and share experience on an individual or group basis.

"Every leader or professional has advice that can apply to everyone," Tedjamulia says. "That advice can save people time and get them ahead of the ball game."

Launched in June 2004 by Tedjamulia and some of his colleagues, IMNO seeks to provide mentoring to a diverse audience who might not otherwise have access to professional expertise. Membership is free and open to everyone, regardless of where they live or attend school. So far, IMNO members represent thirty countries.

Tedjamulia has successfully recruited forty-five mentors to the organization whose professions range from senators and CEOs to athletes and ophthalmologists. As more people hear about the service, he expects the number of mentors to increase.

"Everyone I talk to is looking for ways other than donating money to help people around the world," he says. "Through IMNO, they can help hundreds of individuals achieve their potential by sharing professional knowledge and experience."

Tedjamulia graduated from the Marriott School in 2003 with a bachelor's degree in information systems. He works as marketing manager for the Dell Alliance at Altiris and resides in Provo.

For more information on the Marriott School student mentoring program, email [mentor@byu.edu](mailto:mentor@byu.edu).

these organizations, and more than one hundred attendees expressed interest in joining the Panama Chapter of the Management Society.

"People get really interested in BYU," Cedeño says. "They want to be part of a group with knowledge or access to knowledge."

**International Attendance at Leadership Conference Reaches All-Time High**

An unprecedented number of international chapters were represented at the October Management Society Leadership Conference

at BYU. Chapter presidents from eight countries, including Japan, Mexico, Hong Kong, Panama, Brazil, Argentina, Chile, and the United States participated in the event.

The two-day conference provided training for leaders of various alumni groups. Participants received leadership training, worked on chapter development, and coordinated activities with the Clark Law Society and BYU Alumni Association.

"Attending the leadership conference was an eye-opener for each of the presidents,"

### Ambition Drives Alumna to Achieve



While an undergraduate at BYU, **Jennifer Magleby-Lambert** didn't just pursue one degree; instead, she graduated with two—a BS in conservation biology and a BA in anthropology. When the opportunity came for an advanced degree, she followed the same pattern, earning both an MA in international development and an MOB from the Marriott School. Her academic ambition reflects the way she approaches all aspects of life.

Since graduating from the Marriott School in 2002, Magleby-Lambert worked as a generalist in CIGNA's HR Leadership Development Program. She rotated from the retirement and investments division to the healthcare division and says she values the experience gained in these positions.

"I learned a lot about the nuts and bolts of HR in practice," Magleby-Lambert says. "It is one thing to learn theory and another to apply it—especially in the realm of the human behavior component of organizational effectiveness. Both areas are critical."

During the two years Magleby-Lambert worked for CIGNA, the company laid off nearly six thousand people as part of major cost-cutting initiatives. Ultimately, her own program was cut. While the situation could have been seen as a major setback, Magleby-Lambert saw an opportunity for growth.

"Being laid off has given me a huge sense of empathy, which I believe will be very helpful in my future work," she says. "I am also enjoying exploring the possible paths my life and career can take right now."

Recently, Magleby-Lambert joined with other MOB and OB alumni to build a virtual community where alumni and practitioners can share ideas and learn from one another. Though the project remains in the beginning stages, Magleby-Lambert is confident it can be a great resource for all involved.

"One of the challenges is that people are spread all over the nation and world, which makes it difficult to form the same level of connection and learning that you have when you can physically meet," she says.

While advancing her alumni community project, Magleby-Lambert volunteers thirty hours a week at New Profit, an organization that functions as a venture capital group for social organizations.

"I am excited to learn how they hold social organizations accountable and how they help them to progress," Magleby-Lambert says. "This may be a direction I decide to pursue long term, in one form or another."

Magleby-Lambert resides in Cambridge, Massachusetts, with her husband, Rock, who is earning his PhD in economics at Boston University.

says **Daniel Duckworth**, Global Management Center management society specialist. "They gained new vision of the Management Society's mission and how they could work to accomplish it. The conference stretched the frontiers of their imaginations."

Several Management Society chapters received recognition at the conference. The Marriott School Award for Outstanding International Chapter was given to Mexico City; the Global Management Center Award for Outstanding International Activity was given to Panama.

"Great strides are being made particularly with the international chapters," says **Joseph Ogden**, assistant dean of external relations. "They're helping the school find and prepare

future graduate students as well as providing excellent entrepreneurial and business training to hundreds of people in local areas."

### Deans Stress Ethics in Australia

Leaders in Australia recently took a fresh look at corporate fraud when Dean **Ned C. Hill** and Associate Dean **W. Steve Albrecht** toured the region lecturing on ethical behavior in business. Hill and Albrecht addressed government and corporate representatives—describing the costs of ethical violations.

"They were well received by all in attendance, and their lectures attracted some of the top political and business leaders in the country," says **Chris Cooper**, Australia Management Society Chapter president.

During their presentations, the two deans examined several high-profile fraud cases, showing how ethical violations result in both loss of confidence and huge drops in market value. Hill and Albrecht focused on ways the United States, Australia, and other countries can prevent fraud.

"Many are concerned about the decline in ethical standards and the escalating cost of this to society, yet they don't know where to begin to curtail this trend," Cooper says. "Their presentation helped me understand the greater consequences of unethical standards and how they place a great and compounding burden on businesses and society."

Hill and Albrecht outlined several steps organizations can take to remove the pressure and opportunity to commit fraud and to promote ethical conduct.

The lectures were co-sponsored by the Church and BYU and were hosted by groups such as The Australian National University and The University of Queensland.

### Mexico City Hosts Microenterprise Conference



Marco A. Flores, Mexico City Management Society Chapter president.

With the long-term goal of creating jobs and reducing poverty, the Mexico City Management Society Chapter held a micro-enterprise conference on 23 October 2004. Despite the \$15 admission fee, nearly four hundred people attended.

"There are not enough jobs in Mexico, so many people try to begin their own small business," says **Marco A. Flores**, Mexico City Management Society Chapter president. "The information was what participants needed to help them be successful and was easy to follow."

The conference featured two Marriott School faculty: **Todd Manwaring**, associate teaching professor and managing director of the Center for Economic Self-Reliance, and **Stephen Gibson**, Marriott School entrepreneur in residence.



Manwaring and Gibson arrived in Mexico City a day before the conference so they could visit the marketplace and discuss issues with microenterprise operators. Their interactions helped them connect with those at the conference.

"As I presented, I was able to refer to people both in the marketplace we visited as well as people in the audience, like the woman who baked pies in her home or the policeman who wanted to start a business on the side," Gibson says.

Audience participation at the conference was especially high during a group discussion and case study workshop. "It was exciting to hear their comments and feel their enthusiasm for the subject matter," Gibson says.

## CLASS NOTES

1970



**Carl J. Bailey** is controller for the BYU Jerusalem Center and manager of the BYU Investment Properties office. Since graduation, Bailey has worked in internal auditing for Mountain Fuel Supply and as a staff tax accountant and auditor for Seidman & Seidman CPAs.

Bailey graduated from BYU in 1970 with his BS in accountancy and is a certified public accountant. He and his wife, Claudia, have six children and live in Orem, Utah.

1972



The American Mental Health Counselors Association presented **Gray Otis** with the "Donald Mattson Outstanding Graduate Student Award" at their July

annual conference in Washington, D.C. The association also appointed him assistant editor of their monthly newsletter.

Otis graduated in September 2004 with a master's degree in clinical counseling from the University of Phoenix, Utah campus. He recently became program director for FDC Counseling & Consulting in West Jordan, Utah. He consults on employee relations and organizational development and offers couple and group counseling for emotional abuse.

Otis earned a BA in international relations from BYU in 1969 and an MPA from BYU in 1972. He is a retired lieutenant colonel and U.S. Army consultant. He and his wife, Marjean, have four children and reside in Pleasant Grove, Utah.

1973



After spending nine years with Arthur Andersen & Co. in Phoenix and Salt Lake City, **Carter Summers** established his own practice in 1983. During the past

eleven years, Summers has worked as director of Merrill Lynch Bank. In 2003 he created Solution CFO, where he serves as a virtual CFO for several companies.

Summers earned his BS in accountancy from BYU in 1973. He and his wife, Sherrie, live in Sandy, Utah, and are parents of seven children.

1984



**Nelson Eric Hafen** is owner of Mesquite Mart, Inc., a Shell convenience store, and also owns several other small businesses ventures. He has worked for Hughes Aircraft

and McDonnell Douglas as a financial analyst. He graduated from BYU in 1984 with a BS in business management; in 1986, he earned his MBA from Loyola Marymount University.

Hafen has been involved in scouting, church, and school activities. He and his wife, Laurel Jean, live in St. George, Utah, and have four children.

## Alum Named Top Restaurant Analyst



Whether he's picking stocks or just choosing where to eat, **Jonathan Waite** knows how to do it right. *The Wall Street Journal* named Waite, who earned his BS in accountancy from the Marriott School, the number one restaurant analyst in their 2004 Best on the Street survey.

An equity analyst for KeyBanc Capital Markets (KBCM) in Los Angeles, Waite was rated against all sell-side restaurant analysts who covered at least five restaurant stocks during the year. The survey included more than four thousand analysts nationwide; the top five stock pickers for each industry were chosen as "Best on the Street."

Though Waite considers the title an honor, he remains unaffected by the attention. "It really hasn't changed much of what I do," Waite says. "An analyst's calls generally speak for themselves."

Waite's calls in 2004 spoke loud and clear. His top pick was Ruby Tuesday, Inc., which returned 72 percent after he rated it a "buy" in February. He also scored big with recommendations for Red Robin Gourmet Burgers, Inc., and Sonic Corp., which returned 60 percent and 33 percent respectively.

In picking stocks, Waite focuses on companies with great management and good return on investment characteristics. He also talks to industry participants and people on the front lines to get a feel for the current business environment.

"While I try to separate my personal opinion about a restaurant from the analysis, I do try to put myself in the shoes of the target demographic to see what the potential appeal is," Waite says.

Before joining KBCM, Waite worked for Vortex Capital Partners and Deloitte & Touche. "Even before I graduated, I knew I wanted to get into stock analysis and involved myself in the chartered financial analyst program," he says. "My involvement with that program and previous experience in financial modeling helped me land this job."

One perk of Waite's job is eating out several times a week in the name of research; he also says his industry is easy to follow. "Other industries, such as technology, involve more moving parts, whereas restaurants simply involve consumer reception of a product," he says. "For most of us, that's an easy analysis."

Waite graduated from the Marriott School in 1997 and says his undergraduate training often comes in handy. "BYU has one of the best accounting programs in the country," he says. "I'm grateful for the opportunity I had to learn in an environment that fosters Christ-centered leadership."

Waite and his wife, Stephanie, reside in Lakewood, California, with their two daughters.

**David Bell** relocated to the Memphis area, where he is international finance manager in the financial planning department of FedEx. He was recently awarded a Five Star—the company's highest award for excellence.

Bell earned his BS in operational and systems analysis from BYU in 1984 and his MBA from Rollins College in 1986. He and his wife, Dianne, have five children and reside in Collierville, Tennessee.

#### 1988

**Mark Worthen** is chief strategy officer for 1Answer Solutions, a company he and several colleagues formed last year. The company translates data bits found in corporate databases into usable, actionable information via dashboards and custom reports.

Worthen has worked for Oracle and Brio Software. He earned his BS in information management from the Marriott School in 1988 and his MBA from Oregon State University in 1997. He and his wife, Vicki, reside in Boise, Idaho.

#### 1991



Intermountain Health Care (IHC) promoted **Doug Smith** to CFO of their Urban North Region. Smith has spent fourteen years with IHC, working as the rural region CFO and director of corporate finance. Before that he was financial director of the IHC Physician Group and worked in financial analyst roles.

Smith earned his BA in economics from BYU in 1989 and his MBA, with a finance emphasis, from the Marriott School in 1991. He has a brown belt in karate and enjoys skiing and home improvement. Smith and his wife, Christi, have three children and reside in Sandy, Utah.

## CALL FOR NOMINATIONS

The BYU Alumni Association is seeking nominations for the annual University Alumni Awards.

Nominations are due  
Friday, 25 February.  
For details, visit [alumni.byu.edu](http://alumni.byu.edu).

#### 1992



**Robert Clarke** is faculty advisor to the Student Accounting Society at BYU-Idaho, where he teaches several classes including accounting

information systems, management accounting, and accounting software. He has worked for the Washington State Office of Financial Management and spent nine years at PricewaterhouseCoopers in California, Illinois, and Florida.

Clarke earned his MAcc from the Marriott School in 1992. He and his wife, SueLee, live in Rigby, Idaho, with their five children.

#### 1994



Paris-based Groupe L'Oréal hired **Joseph Scott Grigsby** as marketing director for its luxury products division. He recently earned his

MBA in international luxury brand management from École Supérieure des Sciences Économiques et Commerciales (ESSEC)—one of France's top-ranked business schools, where he graduated class valedictorian.

Grigsby has worked in the health and beauty aids industry for international companies such as Dow Chemical, Nu Skin International, and The Wella Corporation. Grigsby earned his BS in marketing from the Marriott School in 1994.

#### 1995



**Michael E. Nelson** is a controller for the College of Family, Home, and Social Sciences at BYU, where he does financial reporting, budgeting, and accounting. He has worked for Exxon, Aramco, and Drilling Tools, Inc. He is a member of the American Institute of Certified Public Accountants and serves as treasurer on the NACAS board.

Nelson graduated from BYU in 1974 with a BS in accountancy. He completed the requirements to become a CPA in 1976 and earned his MPA from the Marriott School in 1995. He and his wife, VeLoy, are the parents of nine children and live in Provo.

**Jonathan Toronto** was recently elected a principal of Gray Plant Mooty, a Minneapolis-based, full-service law firm. Toronto practices law in the areas of franchise and product



distribution and general business. He specifically advises clients as to statutory and regulatory compliance, ongoing relationship matters, international distribution, dispute resolution, and general trademark concerns.

Toronto earned his BS in business management with emphasis in organizational behavior from the Marriott School in 1995; he earned his JD, with distinction, from the University of Iowa College of Law in 1999. He and his wife, Allison, reside in Andover, Minnesota, with their six children.

#### 1997



**Matt McOmber** was recently promoted to portfolio manager of Corporate Real Estate & Site Development at Intel Corporation. He spent the last two years working as

finance controller for the Corporate Real Estate Group, in which capacity he oversaw the selection and approval of real estate worldwide.

McOmber earned his BS in finance from BYU in 1997 and his MBA from Arizona State University in 2002. He resides in Chandler, Arizona with his wife, Jenni, and their two boys.



**Dan Holland** recently entered the doctoral program at Indiana University's Kelley School of Business where he is studying management. Before returning to school,

Holland worked as director of marketing at Zero Manufacturing in Salt Lake City.

Holland earned his MBA from the Marriott School in 1997 and his BS in electrical engineering from BYU in 1992. He and his wife, Carole, reside in Bloomington, Indiana, with their five children.

#### 2000



After spending four years with Ernst & Young in Washington, D.C., **Bret Adam Johnson** accepted a position as staff accountant for the SEC's Division of

Corporation Finance.

Johnson earned his MAcc from the Marriott School in 2000. He and his wife, Shannon, have a two-year old daughter and reside in Centreville, Virginia.



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*Photo by Alan Perlman / Alan Perlman Photography*

Attending NASDAQ's opening was a highlight of a New York City excursion for sixteen Marriott School undergraduate finance students. The students—led by Jim Engebretsen, Peery Institute of Financial Services director—visited firms including Goldman Sachs and Lehman Brothers last October. They also attended a New York Management Society event on Times Square during their two-day adventure in the Big Apple.