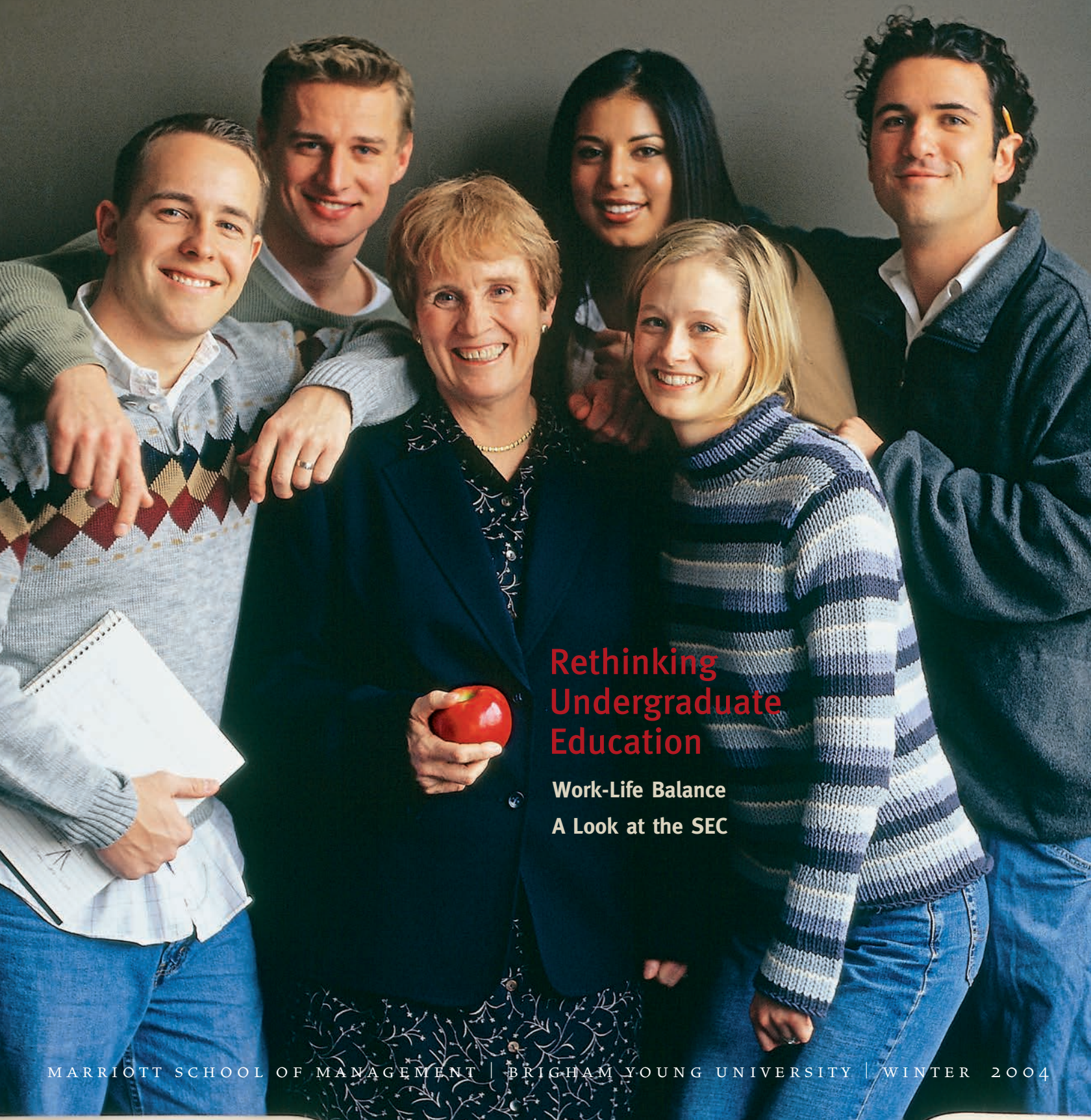


MARRIOTT

ALUMNI MAGAZINE



Rethinking Undergraduate Education

Work-Life Balance
A Look at the SEC



Outside of Cuzco, Peru, a young boy smiles as he holds one of the llamas his family sells to earn a living. This photo, taken by James Hawkes in December 2002, was recently named “Best Overall Picture” in the Global Management Center’s first international photo contest. Hawkes, a senior from Payson, Utah, majoring in Latin American studies, had spent his semester studying in Brazil and was traveling around South America en route home when he snapped this winning photo.

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Management Societies organize conferences, and R. Bruce Whiting receives a lifetime service award. Graduates build businesses in the ATM industry and gifting market. Also read about former classmates and friends in Class Notes.

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Cover photography by Bradley H. Slade

Three Dimensions of Ethical Behavior

BY NED C. HILL



The 17 September issue of *The Wall Street Journal* had many good things to say about our students and MBA program. Not only did we make the largest jump in the publication to 26th overall from 38th—ahead of such powerhouses as Stanford, UCLA, London Business School, and Virginia's Darden School—we were ranked second in the “Emphasis on Ethics” category. We're particularly gratified that recruiters, whose opinions form the basis for the ranking, see our graduates as ethical managers.

In this post-Enron world, business schools are scrambling to add ethics to their curricula. We laud their efforts and hope they're successful in producing more ethical leaders.

At the Marriott School, we continue to emphasize ethics and believe we are blessed with some unique advantages that have helped our students develop three impor-

tant dimensions of ethical behavior: awareness, courage, and leadership.

Ethical awareness is understanding ethical issues and defining boundaries. If individuals have learned to define right and wrong in life, it's easier to teach them to extend that ethical awareness to other areas. Unfortunately, if they have little experience distinguishing between right and wrong, it's more difficult to instill ethical awareness. Luckily, most of our students come with extensive experience thinking about right and wrong. Their parents have taught them to recognize what is acceptable behavior and what isn't. Because of this background, they have fewer troubles extending their ethical awareness to management issues.

Ethical courage is the strength to act appropriately in questionable situations. In a recent fraud, more than twenty people falsified financial statements. All testified they were aware their actions were unethical, but none had the courage to go against superiors. Ethical courage is difficult to teach because its roots are formed through years of learning to be courageous in small things. Again, many of our students have seized opportunities to develop courage—defending their faith to doubting friends and facing challenges while serving missions. In addition, they've frequently examined their lives and values through ecclesiastical interviews. Finally, they've been exposed to numerous examples of ethically courageous individuals such as Church leaders, scriptural heroes, family members, and business leaders.

Ethical leadership is instilling in others a desire to develop ethical awareness and courage. This higher form of ethical behavior requires a person to inspire others through word, example, persuasion, and good management. Here, too, our students have an advantage. They've seen how Church organizations create processes and structures and provide living examples to help members behave ethically. They've participated in a university organization that functions the same way, and they've practiced ethical leadership in Church callings, missions, student organizations, and families.

Given the unique preparation our students have before coming to the Marriott School, combined with the excellent preparation they receive at the hands of remarkable faculty, it isn't surprising that their competitive advantage of ethical behavior is being recognized. While we, of course, don't have a monopoly on ethical graduates, we're grateful for our association with these outstanding students and see their influence for good spreading throughout the world. Thank you—our graduates and friends—for your ethical awareness, courage, and leadership at a time when such qualities are in short supply.

Sincerely,

A handwritten signature in black ink that reads "Ned C. Hill". The signature is fluid and cursive, with the first name "Ned" being more prominent.

Ned C. Hill
Dean

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LIFE IS LIKE A STARTUP VENTURE

STUDENT CONVOCATION SPEECH BY DANA LAYTON

Commencement—or the ability to begin or start something—is a vital part of life. Boris Pasternak, a Nobel Prize-winning Russian poet, once described the talent and art of writing as “boldness in the face of the blank sheet.” He recognized that half the battle is just starting—writing the first sentence or painting the first stroke on a canvas.

Seamus Heaney, another Nobel Prize-winning poet, put it another way: “Getting started, keeping going, getting started again—in art and in life . . . this is the essential rhythm not only of achievement but of survival.” Starting is never enough. We have to keep going, which means starting again and again. In a sense, our lives are like startup ventures. Startups need to do three things: secure capital, develop strategies for overcoming market risks, and create shareholder value.

We all have different amounts and types of capital. Our capital comes in many forms—knowledge, skills, time, money, and other resources we can dedicate to creating value in this life. For me, the classic story about capital is found in the Bible. In the parable of the talents, each man received a different sum of capital. The man who received five returned ten to the Lord, and the man with two returned four. Each achieved a 100 percent rate of return. The man who received one talent buried it and gave fear as his excuse for not doing anything with it. “Nothing ventured, nothing lost” could have been his motto.

The size of our allotment of capital is irrelevant; we must always manage it prudently and multiply it to the best of our ability. Brigham Young tells us, “We should learn how to take into our possession every blessing and every privilege that God has put within our reach” and that the greatest wealth we possess is “to know how to direct our labors rightly.”

The education we received at this great university is a major addition to our capital. But as most startups know, one round of funding never seems to be enough. The ability and continued desire to learn is one of our most important sources of personal capital. Michael Dell, founder of Dell Computers, gives the following advice: “Try never to be the smartest person in the room. And if you are, I suggest you invite smarter people . . . or find a different room.” To increase our capital base, we must surround ourselves with talent. We need to listen, think, read, study, and wonder.

Once we have assessed our capital resources, we must address market risks. As we enter or re-enter the market of life, there is no 10-K form providing quantitative and qualitative disclosures about market risk. We cannot foresee every possible hazard and threat. As Warren Buffet said, “In the business world, the rearview mirror is always clearer than the windshield.”

We live in a world where opposition is a natural condition. Our lives are in a constant state of tension between good and evil, risk and safety, chaos and order. There will always be risk, in business, in politics, and in our personal lives. But we must move forward in the face of that uncertainty.

In my involvement with Best of State, which recognizes achievement in a broad array of industries, I have the opportunity to learn about great Utah success stories. As I read the winning application for entrepreneur Patrick Byrne who started Overstock.com, I learned that he was rejected by venture capitalists thirty-five times. This was during a time when anyone with a half-baked Internet idea seemed to get funding. It makes a great story, since he was ultimately successful. But think about how he must have felt after the thirty-fifth unsuccessful attempt. Imagine the anxiety and the emotions that come with rejection and failure. These feelings are uncomfortable at best and unbearable at worst. These are the feelings that make people quit—that make people bury their talent.

We must face trials with resilience, as failure is often a sturdy rung in the ladder of success. The lessons learned in disappointment and despair provide a solid footing from which to calculate our next step. American war hero Eddie Rickenbacker said, “Courage is doing what you’re afraid to do. There can be no courage unless you’re scared.”

Fear is a given. But to let fear motivate our actions is certain failure. Wayne Gretsky said, “You miss 100 percent of the shots you never take.” Even if the odds are overwhelmingly against us, our chances of success are infinitely better when we take a shot.

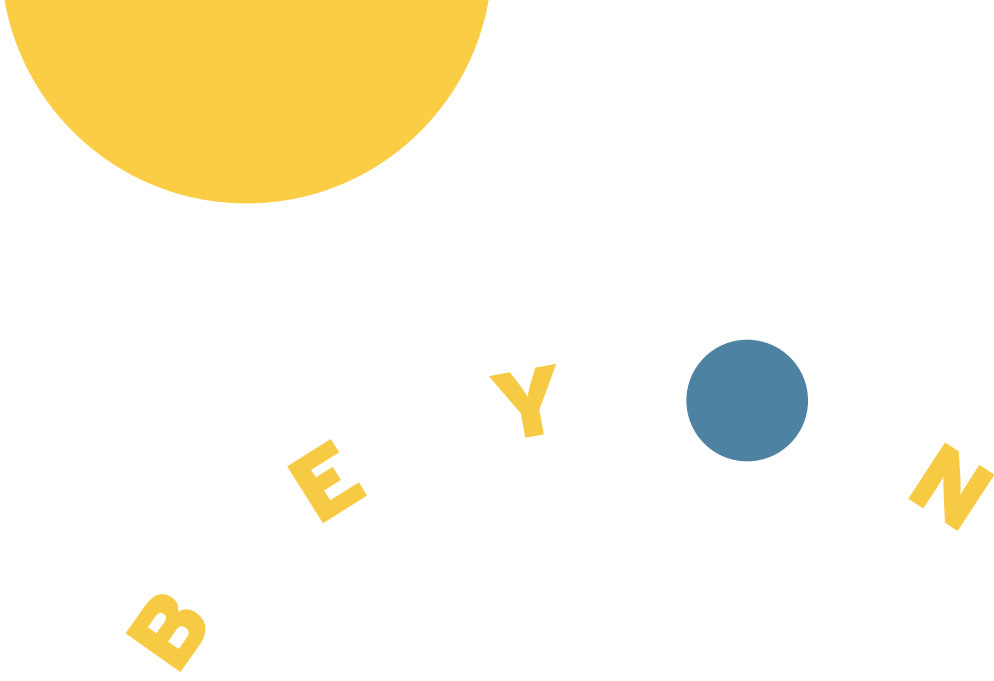
The third thing every startup must do is create shareholder value. We all have many shareholders or stakeholders in our lives—spouses, children, parents, friends, and colleagues. Our choices need to create value for these major shareholders. But the provider of every resource is God, and we must ultimately create value for Him. He is the master shareholder. From the Lord’s reaction to the man who buried his talent, we see that God considers the time value of capital. He expects increase. If you give Him a zero percent return rate, He will adjust his asset allocation accordingly, moving talents to stronger performers.

Some use Jesus’ parable of the rich man as a lesson that we must forsake worldly possessions and wealth in order to truly follow the Savior. When juxtaposed with the parable of the talents, I think the first parable is simply a reminder of rightful ownership—that everything we have belongs to God. He expects us to create what value we can with what we have. We just need to be careful not to get too attached to the increase, as He may call the loan at any time and for any reason.

As we go forward and this educational milestone moves into our rearview mirrors, let us determine to face the uncertain future with boldness. Let us continually increase our capital resources, face fear and other risks with courage, and create temporal and eternal value for God and mankind. **M**

About the Speaker

Dana Layton is CEO of Best of State and co-owner of Layton Productions. She earned her BA from BYU in 1982 and her MBA from the Marriott School in 2003. She and her husband, Mark, have five children and reside in Orem. This article is adapted from Layton’s address at the Marriott School’s convocation 15 August 2003.



BEYOND JUGGLING

FINDING A WORK-LIFE BALANCE

By Kurt Sandholtz, C. Brooklyn Derr, and Kathy Buckner

“It was the year after my divorce, and I was working full time and getting my MBA in the evenings,” begins Stephanie, a researcher at a global electronics company. “Each of my three kids was involved in Cub or Girl Scouts—all on different nights—and hockey or ice skating, also on different nights, not to mention the games every weekend. I think I went through that whole year without sleeping.”

Stephanie is recounting her story during a work-life balance seminar. The exercise is a twenty-first century version of “Can You Top This?” with the prize going to the contestant with the most out-of-control experience. The tales are startling, outrageous—and at the same time, almost universally familiar. As Stephanie finishes, the sixty other people in the room all nod knowingly, a silent expression of “Been there, done that.”

In the United States, such out-of-kilter lives have become the rule, not the exception. Little wonder work-life balance is emerging as today’s workplace Holy Grail. Survey after survey shows that when young American talent rank what they most

want from their jobs, balance tops the list.

Now the good news: work-life balance is not an impossible dream. In our research, primarily in the United States but also in France, Japan, Thailand, and Venezuela, we talked to plenty of people who’ve found workable solutions to the balance dilemma. In nearly all cases, they’ve realized that they won’t achieve balance by running faster, working harder, and cramming more into their lives. They’ve let go of the idea of juggling everything at both work and in their private lives or “having it all.”

This doesn’t mean they’ve dropped out of society and are surviving on organic vegetables and goat’s milk. Most of the successful balancers we’ve studied aren’t interested in an extreme version of the simple life. They accept as a given that the three components of balance—rewarding work, deeply satisfying relationships, and rejuvenating self-care—rarely come together in a tidy, stress-free package. So they use a variety of methods to rebalance their lives into a more satisfying—and sustainable—pattern.



WHY JUGGLING DOESN'T WORK

Forty-five minutes, two seconds. That's how long Anthony Gatto, juggler extraordinaire, can keep five clubs in the air, and it's the world record. But add one more club, or two, and Anthony can't juggle much past a minute.

Anthony's a professional juggler; most of us are not. But we're trying to do the same thing with six, seven, eight, or more simultaneous commitments. Patti Manuel, the president and chief operating officer of Sprint Long-Distance, consciously identifies the roles in her life—her juggling props. "I'm a boss, an employee, a friend, a mother, a daughter, and a member of my church and community." That's seven. "Balance is about understanding what these roles are and not letting any one of them become dominant. Most of the time, I'm good at this. Other times, I'm trying to manage my way back from chaos."

Juggling is a knee-jerk coping mechanism, the default setting when time gets tight and it seems nothing can be put on the back burner. As long as our reflexes are sharp, it works; we can "have it all." For that forty-five minutes and two seconds, we've got a challenging work life; a fulfilling relationship; quality time with our friends, kids, or both; and sufficient snatches of personal rejuvenation. Then something happens and it all comes crashing down.

BEYOND JUGGLING

If you're an exhausted work-life juggler looking for a better way, consider five alternatives gleaned from our interviews with hundreds of busy professionals.

ALTERNATING Alternaters want it all, but not all at once. Their work-life balance comes in separate, concentrated doses. They throw themselves into their careers with abandon, then cut way back or quit work altogether and focus intensely on their nonprofessional interests.

For example, Murray Low, a Marriott School graduate, is an organization effectiveness manager for Eli Lilly. Over the past fifteen years, he's been a CPA, worked for a strategy consulting firm, and run the HR department for a steel plant, with three- to six-month stints of unemployment in between. He's made the most of his time off, skiing fresh powder, mountain biking with his family, developing himself spiritually, and serving the Church.

Others alternate on a daily or weekly basis. These "micro-alternaters" are focused and intense while at work, but they turn off their cell phones the minute they get home. They refuse to check email at night or on weekends. And they take all of their allotted vacation days, every year. They consider their off-work time to be crucial for deepening relationships and rejuvenating their spirits and energies. In our research, many Europeans used alternating extensively—to the envy of many Americans.

IDEAS FOR OUTSOURCING

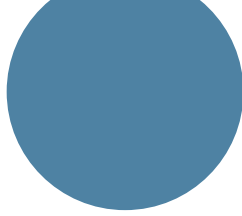
- Take advantage of gift wrapping or delivery services when you buy online or through a catalog.
- Pick up stir-fry-in-a-bag and other convenience foods at the grocery store.
- Hire someone to do the household chore you most dislike.
- Organize a carpool—for yourself or for your busiest children.
- Try to expand the services you buy from a single provider. For example, if you hire a lawn service, see if they'll also weed your flower beds or hang Christmas lights.

OUTSOURCING "We have a family of four and a staff of eight," quips Jon Younger, a New Jersey-based executive. He and his wife have precious little free time to allocate to a seemingly endless list of demands. Their solution: prioritize those activities in which they want to be personally involved, then hire out the rest. On the "personal" list are coaching children's sports, religious observances, quality time with extended family, walking the dog, and one-on-one time with their two sons. Just about everything else—yard care, food prep, housework, running errands, academic tutoring, vacation planning, and car maintenance—gets outsourced.

Outsourcers achieve work-life balance by off-loading responsibilities—usually in their personal lives—to free up time and energy for those areas they care most about. Their motto might be, "I want to have it all, I just don't want to do it all myself." Those with limited disposable income rely on a robust network of reciprocal social support—friends, neighbors, and family members who band together to help each other gain a bit of balance in their lives.

IDEAS FOR ALTERNATING

- Negotiate compensation/free time trade-offs.
- Occasionally take on less intensive assignments.
- Redefine career success in terms other than upward advancement in an organization.
- Look for natural shifts in intensity, such as seasonal breaks or slow periods, and take advantage of those breaks to recharge or regroup.
- Use all your holiday and vacation time, every year, for meaningful nonwork activities.



● **BUNDLING** Bundlers involve themselves in fewer activities, but they get more mileage out of those activities. They examine their busy lives and look for areas where they can double dip. For example, a group of women get together three mornings a week to work out. This accomplishes an important goal for physical exercise, at the same time providing regular social contact and deepening their friendships.

Everyone bundles to some degree, but we also found a lot of faux bundling, a version of juggling in which people fool themselves into thinking they're multitasking. The most egregious example: People who talk loudly on their cell phones from the "privacy" of their stall in a public restroom. Sure, they're doing two things at once. But is it really helping them feel more balanced?

The essence of bundling isn't so much multitasking as multipurposing. Its genius is in giving separate tasks greater meaning by putting them together.

IDEAS FOR BUNDLING

- Make a conscious effort to build efficiencies into your daily routine by planning errands, grocery shopping, going to the dry cleaners, for example, in a way that minimizes your time commitment.
- If your work requires regular travel, look for ways to combine trips or build in more purposes.
- Look for ways to combine goals and objectives at home or at work. For example, if you do the same thing repeatedly with different groups at work, look for ways to reduce the frequency of the activity by broadening or combining the audiences.
- Look for ways to increase the alignment between your work and personal life. If your job requires consistent travel and all your other priorities are tied to your local community, long-term balance might not be achievable in your current role. Think about career directions that could provide a better match.

A CROSS-CULTURAL PERSPECTIVE

Is getting balanced mostly a U.S. phenomenon? Not necessarily. In fact, work-life balance is a global human concern. Nonetheless, Americans may have something to learn from the rest of the world.

FRANCE

Work-life balance is a critical personal issue in France but a not-so-critical human resource management issue. The French government requires employers to support families, and employees work thirty-five-hour weeks and enjoy extended paid holidays.

EASTERN EUROPE

For many employees in Eastern Europe, balance and flexibility aren't among their top career concerns. They focus primarily on covering the basics, such as purchasing a refrigerator, washing machine, and eventually a car.

JAPAN AND KOREA

With only 3 percent of women in the "core employee group," there are few demands for benefits such as child care, parental leave, flexible working hours, vacation time, etc. In Japan, there is no word connoting work-life balance ("baransu" is borrowed from the English word "balance" but is not really Japanese).

THAILAND

Balance is a life goal, not just a career goal, in Thailand, where 90 percent of the population is Buddhist. Their religion teaches the wisdom of the "middle way," or the way of oneness and peace, a path marked by ethical conduct, mental discipline, and the pursuit of wisdom rather than material goods.

SOUTH AMERICA

South Americans generally understand that few business needs are more important than family issues, and they act accordingly. Work-life balance is a dominant career goal in this culture. While working hard, it is accepted that family comes first.

CHINA

In Chinese culture, a dominant value is to provide the best education possible for one's children—no matter the sacrifice required. Once this goal has been achieved, balance may be considered. A relaxing nonwork-life is reserved for people in their twilight years and becomes a time when they can travel, read, exercise, and receive honor and attention from their educated and successful children.

TECHFLEXING Techflexers dream about leveraging technology to the point that they can conduct their work from almost anywhere, anytime. The key to their strategy isn't just technology, but flexibility. Techflexers have figured out how to maximize the control they have over their schedules. They might live in the country, for example, or work at home several days a week, or work during off-hours so as to be present when their children are home. Obviously, techflexing depends on a good information technology infrastructure within the country and locale of choice, e.g., a DSL computer connection.

In contrast to jugglers, techflexers don't use technology to increase the work hours in a day. Rather, they use it to liberate those work hours from the rigid 8 a.m. to 5 p.m. structure, as well as to enrich their personal lives.

SIMPLIFYING Simplifiers have decided they don't want it all. They've made a lasting commitment to reduce the time and energy devoted to "nonessential" activities, whether at work or at home. The payoff, they hope, is greater freedom—from stress, from debt, from minutia, from the rat race.

In the physics of work-life balance, simplifying strikes us as an equal and opposite reaction to the craziness of juggling. Some people pursue it from the beginning of their careers; others come to it after they've tried juggling for a while. In either case, a common characteristic is the will to make some sacrifices—small ones, like "I've decided to buy only one color of socks," or large ones, like "I took a voluntary pay cut and work only four days a week" or "I've decided to live in a modest home and drive used cars so I don't have to earn so much income."

IDEAS FOR SIMPLIFYING

- Move closer to your work or work from home.
- Minimize business travel.
- Get more out of your possessions—repair instead of replace them or buy fewer but higher quality clothes and wear them longer before buying new ones.
- Say no to volunteer or social opportunities that don't provide the highest value for you.
- Focus on the highest impact areas at work; strive to make more of a difference in less time.
- Adopt more simple, less-expensive hobbies (for example, walking versus golf).
- Landscape your yard so that it requires less maintenance.
- Simplify your entertainment and holiday celebrations.

IDEAS FOR TECHFLEXING

- If you commute, use the time to connect with friends and family through a cell phone with a hands-free device.
- Create a web site as a way of keeping in touch with friends and family.
- Do your personal and gift shopping online.
- Use the Internet to make travel reservations, buy tickets, or to save time at the airport check-in counter.
- Pay your bills electronically.
- If you have access to a laptop computer at work, manage your schedule so you can leave early and finish your online work at your own convenience.

REBALANCING YOUR LIFE

While everyone juggles and some are very good at it, the five strategies mentioned above—alone, or in combination—have proven helpful in the lives of many people as they strive to juggle less and enjoy life more. None is a panacea; each requires trade-offs. Juggling is even one part of the overall formula for a higher quality life while maintaining a viable and challenging career. Balance, like happiness, appears to be a journey, not a destination.

But if you focus on rebalancing your life—making conscious choices and course corrections as you go—the small changes can have a large impact. Work-life balance isn't an all-or-nothing phenomenon. An hour or two per week to spend on the things that matter most to us can spell the difference between feeling out of control vs. tired but satisfied. And, in a world brimming over with meaningful opportunities and fascinating distractions, tired but satisfied isn't a bad way to go. **M**

ABOUT THE AUTHORS

Kurt Sandholtz, a Marriott School MOB graduate, is a writer, speaker, and private organizational development consultant. He has worked with companies such as DuPont, General Mills, Dell Computer, and Procter & Gamble.

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This article is adapted from the book *Beyond Juggling: Rebalancing Your Life* published by Berrett-Kohler in 2002. Find out more about the book at www.beyondjuggling.com.

Art Credit: Detail of color lithograph advertisement for "The Completest Ensemble of the Most Celebrated Stage Performers Ever . . ." from the 20th century American School; private collection, reproduced by Barbara Singer/Bridgeman Art Library: London, New York, and Paris.

• ASSESSING YOUR WORK-LIFE OPTIONS •

STEP 1: ARE YOU A JUGGLER?

INSTRUCTIONS: Check all that apply, and total the number of checks.

- ☐ My workdays are tightly scheduled, and my weekends aren't much different.
☐ Time spent with my partner, children, and/or friends often feels rushed.
☐ I manage to stay on top of things, but I don't know how long I can keep it up.
☐ Quiet time for myself—for reading, exercise, hobbies, etc.—is hard to fit in.
☐ I use some of my vacation days to run errands and catch up on chores.
☐ I feel overtired or stressed out more often than not.
☐ My life is certainly not boring, but it's also wearing me out.

PLOT YOUR SCORE ON THE FOLLOWING SCALE

1	2	3	4	5	6	7
IN CONTROL	Moderate Juggling	Severe Juggling	OUT OF CONTROL			

If your score was four or more, take the following quiz to measure your aptitude in each of five alternatives to juggling.

STEP 2: BEYOND JUGGLING—FINDING A BETTER WAY

INSTRUCTIONS: Each item contains two statements. You must choose one of the statements, even though you may not like either or you may like both. Circle the letter next to the statement you think best describes you.

1	<ul style="list-style-type: none"> I like to devote my full energy and attention to one thing at a time. I like to take care of multiple needs in a single activity. 	A C
2	<ul style="list-style-type: none"> I'm comfortable having others do home and yard chores for me. I prefer to do things myself. 	B E
3	<ul style="list-style-type: none"> My professional work doesn't necessarily have to be done between 9:00 a.m. and 5:00 p.m. My professional work is the kind that I can leave at the office; there's no real reason for me to bring it home. 	D A
4	<ul style="list-style-type: none"> I'm good at planning and organizing the activities of others. I'm good at putting separate tasks together in meaningful combinations (example: exercising with my friends). 	B C
5	<ul style="list-style-type: none"> When I'm really stressed out, I need to take a break and do something completely different. When I'm really stressed out, I buy myself time by paying for more services (take-out meals, cleaning help, yard care, etc.). 	A B

6	<ul style="list-style-type: none"> Acquiring the latest technology (mobile phone, laptop computer, PDA, etc.) helps me make better use of my time. The less "stuff" I acquire, the more time I have to enjoy life. 	D E
7	<ul style="list-style-type: none"> I don't mind scheduling and coordinating service providers (day care, home maintenance, etc.) if it frees me up to do what I want to do. I tend to use my PDA, e-banking, automatic bill paying, online shopping, and other electronic services to save time and effort. 	B D
8	<ul style="list-style-type: none"> If I'm going to invest time in an activity, I want it to pay off in multiple ways for me (i.e., kill two or more birds with one stone). I like to keep my calendar as open and unscheduled as possible. 	C E
9	<ul style="list-style-type: none"> I enjoy making a social event out of almost anything—work, chores, school activities, ballgames—by involving friends and/or family. I use my cell phone, email, instant messaging, and other electronic tools to stay in close touch with my friends and family. 	C D
10	<ul style="list-style-type: none"> I try to take meaningful but inexpensive vacations—like camping, visits to nearby attractions, or trips to visit friends and relatives. I'm pretty good at using my vacations to truly get away from the pressures of my job and "recharge my batteries." 	E A

NOW, PLOT YOUR SCORES ON THE GRID BELOW

	1	2	3	4
Alternating (A)				
Outsourcing (B)				
Bundling (C)				
Techflexing (D)				
Simplifying (E)				

INTERPRETING YOUR SCORES

- If your score is 0 or 1 in a strategy, it probably shouldn't be your primary technique for rebalancing your life.
 - If you score 2–3 points in a strategy, this could be a useful primary or secondary technique for you.
 - If you score 4 points in a strategy, you're a natural! Use this strategy to its fullest in your pursuit of greater work-life balance.
- For ideas on how to apply these strategies in your life, visit www.beyondjuggling.com





GETTING TO THE CORE

Rethinking Undergraduate Education



BY EMILY A. SMURTHWAITE, ASSISTANT EDITOR — PHOTOGRAPHY BY BRADLEY H. SLADE

After two semesters as a Marriott School student, Karren Thomas thought she had figured out the basics of a business education: spreadsheets, business models, and case studies.

But her outlook changed on the first day of her business management suite class when the instructor posed the question: “Is it wrong to be rich?” The ensuing discussion about obtaining wealth wasn’t expected in a business class, but this wasn’t a typical class.

Questions about religion and business are tackled daily in this one-of-a-kind course—the business management

suite—offered only at BYU. Students earn one business and two religion credits, while confronting difficult situations they may encounter as business professionals.

This popular class is one of several courses students take together as cohorts in the undergraduate program’s integrated core curriculum. Besides the business management suite, students enroll in the same sections of marketing, supply chain management, business finance, and organizational behavior.

The integrated core is one result of a face-lift the program underwent in 2000. Faculty

and administrators wanted to strengthen the undergraduate community and better prepare students to enter the workforce. By forming an integrated core, adding a combined business-religion class, and creating a more collaborative atmosphere for faculty, the Marriott School is better preparing undergraduates to live and lead in a global environment.

Integrating the Core

To Associate Dean Lee T. Perry the decision to restructure the curriculum into an integrated core was simple. “We wanted to build a tighter undergraduate community. We wanted our students to have deeper friend-

ships,” he recalls. “We figured if our students were closer, the dynamics of the classroom would change—creating a more comfortable learning environment.”

A key factor in creating this tight-knit learning atmosphere is teamwork. At the beginning of the semester, students are placed in teams of five and are assigned to work together on nearly all projects and assignments throughout the semester. “We saw the success the MBA program had with its core, and we wanted our undergraduates to have a similar experience,” says Joan Young, director of the Marriott School’s undergraduate program. The idea is to place

students from each emphasis together on teams so they learn to draw from each others’ strengths and differences.

“You learn how to compromise, and you realize your way is not the only way,” comments Jeff Dempsey, a senior from Raleigh, North Carolina, in the business management core. “I enjoy working in groups. Even though it takes longer to make and implement decisions, I think we come to more correct conclusions. It helps us prepare for the real world because we’ll be dealing with group projects our whole lives.”

Professor Grant McQueen, a member of the committee that overhauled the curriculum, says, “Before the core, there was just a menu of classes; there was no culture or chance to form friendships. Now, for at least one semester, students can take classes together in sync, where they’re exposed to the same ideas and discuss the same issues.”

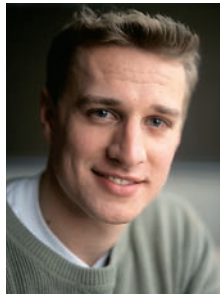
Organizing the core on such a large scale requires a lot of planning and coordination. Each year the program admits 850 students, with about 1,900 students total. To keep a pulse on how the integrated core is running, Young meets with twelve student teams—two from each section—every semester. She quizzes them about their classes, group work, teachers, and overall impressions of the core. Responses have helped the program evolve and move beyond the trial stage.

Over the last three years, feedback has largely been positive. “I would consider it a success,” McQueen says. “I’ve visited a few classes, and as I’ve walked in it has been really noisy—a lot of talking and laughing. You get a sense by the decibels that they’ve bonded with each other.”

Because of the time the students spend together, they get to know one another well and begin building small networks. “At a university with thirty thousand people, you usually don’t get a chance to get to know your classmates,” Dempsey says. “In the core, I’ve become comfortable with the other students, and I can be myself and answer questions that I probably wouldn’t answer in another class.”

That level of confidence and trust is exactly what the teachers and administrators hoped to accomplish with the integrated core classes. Professor David Cherrington says he notices that within the first few weeks, students build camaraderie.

“In the core, I’ve become comfortable with the other students, and I can be myself and answer questions that I probably wouldn’t answer in another class.”



Jeff Dempsey

OPENING THE DOORS FOR MORE STUDENTS

Despite efforts to accommodate more students, the demand for business-degree graduates continues to far exceed the supply. More than 1,100 students vie each year for 850 slots in the Marriott School's undergraduate management program.

Turning away nearly 300 students a year is a tough job that was made only slightly easier when the school increased admissions from 700 to 850 in 2001.

"I thought the number of applicants might drop because of the business scandals, the economic troubles, and the transition of BYU-Idaho to a four-year program, but the number of applications hasn't gone down," says Joan Young, undergraduate management program director.

While the demand for the management major has grown steadily, the number of students seeking a business minor has spiked. In 2002, almost 750 students earned business minors, up 80 percent from 1997.

"Twenty-five percent of the minors presented by BYU are business minors," Young says. "It's a practical addition to almost any degree, and the reputation of our program is very high."

To serve the ever-present interest in both majors and minors, the school has juggled faculty teaching schedules, added a spring/summer business minor, encouraged student internships during fall and winter semesters, and hired more visiting faculty. "It's not a bad problem to have," Young says. "But it's not an easy one to resolve."

For more information about the business management program, visit marriottschool.byu.edu/bsmgt. Information about the business management minor is available online at marriottschool.byu.edu/mgtminor.



"Some students don't agree with their classmates; some don't agree with me. But there is an openness, an acceptance, that allows them to express their point of view in a nonthreatening way," he says. "I tell them that they ought to feel free to say anything as long as it's not frivolous, disruptive, or demeaning. And if they want to change their mind, that's okay."

Combining Business and Religion

Perhaps the most unique aspect of the integrated core is the business management suite class. To help students prepare for their business careers, class discussions revolve around circumstances that could challenge their values.

"The course was established on the premise that we do not live separate lives—we cannot be a different person at work than we are at church," Perry explains. "By anticipating future dilemmas, students prepare themselves to deal with them more effectively and valiantly."

Like most religion classes, this one begins with a hymn and a prayer. But as the discussion begins, it takes a unique turn as students explore topics such as pride and the economic cycle, women in management, idleness versus relaxation, or the difference between gambling and investing in the stock market.

"What we talked about in the business management suite class applied to our other

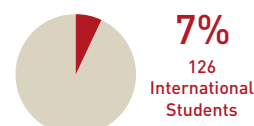
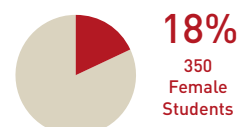
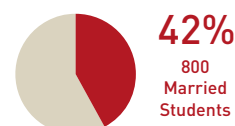
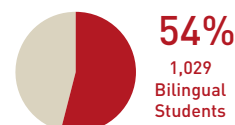
UNDERGRADUATE STUDENT PROFILE

Total students: 1,900

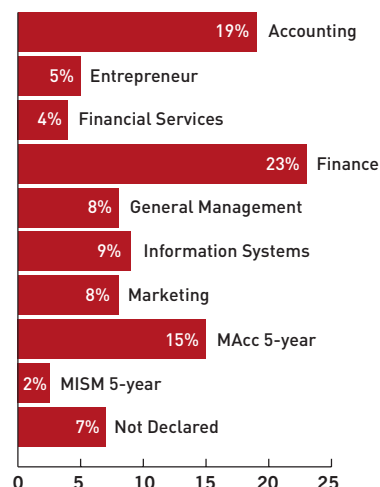
Average GPA: 3.64

States represented: 47

Countries represented: 51



PERCENTAGE IN EACH EMPHASIS



A KNACK FOR COACHING



Although Joan Young had never coached before, within a matter of a few weeks she found herself leading two high school teams.

Her coaching career began at Salt Lake City's East High School in 1984, where she taught English and coached the school's swim team. Although swimming wasn't Young's forte, she did have some experience. "Fortunately, I had learned a little from my children who were competitive swimmers," she recalls. Young's knack for

coaching shone through, and East High soon had one of the best swim teams in the state.

Others took notice of Young's ability, and she was recruited to help coach the school's football team—a team that had the longest-running losing streak west of the Mississippi. Young was put in charge of the kicking and special teams and was given the charge to motivate players. "I clocked hang time on punts, held the ball for place kicks, and dodged errant tackles," she says.

Two weeks after Young started coaching, the football team faced its rival, West High School, and won its first game in four years.

Through her coaching experience, Young has witnessed the great things people can do as part of a team. "If you want to perform at your best level, become part of a team," she advises. "Struggles become easier if we make life a team sport."

That attitude buoyed Young in her studies as a Marriott School MBA student and later in her work as an administrator. In 2000, after working as the MBA program assistant director, Young became director of the school's undergraduate program.

With the help of faculty and program coordinators Amy Kohler and Cami Green, Young has successfully coached the program through a series of changes. Besides launching and overseeing the integrated core, where students work together in teams, they also published an undergraduate handbook, formed an advisory board, created new courses, and refined old courses including the program's required orientation course.

As the undergraduate management program director, Young advises and motivates on a daily basis. "It's an approach similar to coaching," she explains. "I give them the information and confidence they need and help them set goals to get there."

classes. We learned the ethical principles behind what we were studying," Thomas says. "It was never redundant, just reinforcing."

Professor Kaye Hanson believes the class helps students define their values. "The students come motivated and grateful to face these gospel issues; where else could you ever talk about these sorts of things?" she asks.

The lessons being taught in the business management suite have positively affected those outside the class as well. Last winter semester, one class taught by Bill Price, director of the Marriott School Institute of Marketing, took a discussion on social responsibility to heart. The students voluntarily donated \$5,000 to the Marriott School, which was matched by donors and ended up creating a scholarship endowment worth more than \$30,000. This was the first endowed scholarship funded by a single class, with ninety percent of the fifty-five students in the class contributing. One student donated a large cash birthday gift he received from his mother. He told Price that he felt better putting his money toward a scholarship than spending it on himself, like he had with other birthday gifts.

"It was especially gratifying for me to see these future business executives putting up their money to match the intent of their hearts," Price says.

The open environment in the business management suite is ideal for the sometimes-sensitive class discussions. "What students really benefit from is being able to share ideas with one another," reflects Cherrington, one of the six management suite instructors. "It's refreshing for them to have questions raised and allow them to

talk among themselves and get a perspective on each other's feelings. I believe they tend to learn more from one another than from anyone else."

Thomas, who was initially surprised by the unique class discussions, says her Marriott School experience wouldn't have been the same without the business management suite. "I loved my other BYU religion classes, but this was so personally centered to what I was learning in my major. In that class we had similar career goals and interests—and it really enriched our discussions," she says.

Increasing Faculty Collaboration

Students aren't the only benefactors of the recent changes in the program. Integrating the core has given the faculty more incentive to collaborate and coordinate their curricula. Throughout the year, the professors meet to compare their syllabi, discussion topics, and schedules—often making adjustments to help students by spreading out due dates for major tests, papers, and projects.

Because faculty members are aware of each others' lesson plans, they can reference knowledge students have already covered in other core classes. For example, a marketing professor can pull finance topics into a class discussion because he or she will know what was covered in other courses.

Faculty teaching post-core classes also benefit because their students have had a more standardized undergraduate experience. McQueen says that before the core, students didn't always have the same background because there was no order to how classes were taken.

Faculty members are also more involved in guiding students' career paths thanks to Young's revamped orientation class. When students are first admitted to the program, they are required to take a half-credit, eight-week orientation course. During that time, faculty members advise and prep students for their business school experience. "They talk about their respective fields—what skills, careers, and direction the students can expect," Young explains. "It's also a great way to introduce students to our excellent undergraduate faculty team."

Perry sees the curriculum's progress as a product of the faculty's vision. It was a faculty committee that designed the integrated core and the plan to implement it.

"The bottom-line is many faculty members deserve credit for the advances made in the Marriott School's undergraduate programs in recent years—too many to mention by name. It has truly been a community effort," he says.

This community effort is making a difference to hundreds of business students. Through the integrated core, Marriott School undergraduates are forming long-lasting relationships, developing strong team skills, and learning to network. The management suite class is preparing them to recognize and uphold their values throughout their business careers. Their undergraduate experience is also enhanced by faculty members

who work closely together to ensure their students are gaining a solid core education.

"It's been a great experience," Dempsey says. "I've learned skills I'll be using for the rest of my life. I feel the program has helped me prepare both academically and ethically for a career in business."

Notwithstanding the improvements, Perry believes the students remain the greatest strength of the undergraduate program. "Our students are getting better and better all the time," he comments. "And we're not the only ones picking up on that—recruiters are also taking note of the improving quality and skills of Marriott School undergraduates." **M**



"What we talked about in the business management suite class applied to our other classes. We learned the ethical principles behind what we were studying. It was never redundant, just reinforcing."

Karren Thomas

INTEGRITY *of the* ASCENT

*Speech by Gary P. Williams
Illustration by Leigh Wells*

Throughout our lives we may ascend to many summits. These climbs have unique challenges that require us to prepare and approach each one differently. Some of these climbs may be approached in a reckless and nonchalant manner with little concern for the final outcome, while others require careful planning and route consideration.

Your career is one of the most important summits you will ascend—one that requires much planning and attention to the route that you will travel. The ultimate goal may require a combination of years of education, followed by on-the-job training, certifications, tutoring, mentoring, and learning through trial and error. Once we reach the final approach to the summit, we may walk the distance alone or lead those who have followed us.

I believe the integrity of the ascent is paramount to our ultimate success. The four principles that must be present if we are to

reach the summit with integrity are: planning, preparation, listening, and obedience.

PRINCIPLE 1: PLAN~

Develop and commit to worthy lifetime goals

My family enjoys summiting mountains. We've climbed most of the peaks in Utah and have traveled to California to climb Mt. Shasta and Mt. Whitney. In August 2000, we decided to undertake a lifetime goal to summit Mt. Kilimanjaro in Tanzania, Africa. I would like to compare what we learned on our climb to what I have learned as I have ascended my career path.

Mt. Kilimanjaro ranks as the tallest peak on the African continent at 19,340 feet—the highest freestanding mountain in the world. The ascent allows the climber to travel through several climatic zones, beginning in a tropical forest, traveling through the alpine desert, and ending at an altitude where almost nothing can survive. Our team

consisted of local guides, support personnel, and twelve American climbers including three of my children and myself.

Our earliest preparations included a review of optional routes and trip plans. Some options offered a “quick” four-day climb—less camping, exposure, and discomfort. At the other end of the spectrum was a nine-day climb—seven nights on the ascent with the eighth on the return. It required more hiking, camping, cold nights, exposure, and cost. But, it offered something else, a 90 percent success rate for reaching the summit compared with less than 50 percent success on the other routes.

Though it would require more sacrifice than the shorter, more often used climbs, the Shira Plateau route rewards the patient climber with a greater chance of reaching the summit. We determined to follow the advice of President David O. McKay: “The greatest mistake we make in this life is giving up what we want most for



what we want right now.”

When I was sixteen, a wise man taught me an important concept. Larry Ashton, an advisor to my youth group, invited any of us who were interested to develop a ten-year plan with his help and to visit him at his work. I took him up on both offers.

Larry was a skilled and well-known engineer. While visiting his office, I discovered he had resigned his position as the engineering manager to make a lateral move into another department. As the manager of this department, he received no pay increase and kept the same title.

When I asked Larry why he made such a move, he responded that what he really wanted in his career was to “run the company.” By traveling the longer, more difficult path he felt he had a better chance of achieving what he wanted most, the top position in the firm.

That day changed my life. I too wanted to “run a company.” I set about educating myself and developing skills in two functional areas: finance and marketing. My decision was to travel a longer path.

After college I accepted a position as a financial analyst with a large U.S. corporation. When the opportunity presented itself, I transferred into the strategic planning group. At first, my associates’ careers seemed to be developing more quickly as they rose in the financial group where I started my career. But it was not long before I was given the director of strategic

planning position for my corporate division and soon thereafter was promoted to marketing manager within the group. What I wanted most was now in my sights as I began to acquire the skills that I would eventually need in my career pursuits.

Don’t sacrifice what you want most in your career for what you want at the moment. If your career summit trek requires more distance and a more costly path don’t be afraid to accept the challenge.

PRINCIPLE 2: PREPARE~

Get an education, learn the skills of your trade, and then execute your plan with vigor

We remained two nights at camp four on Mt. Kilimanjaro, located approximately 15,000 feet above sea level. There, we learned the skills of high altitude trekking—how to place one foot in front of the other and pausing before taking the next step. We climbed more than 1,000 feet, practicing our skills before descending to the next camp. I must admit I was not convinced that our efforts would be rewarded, but our guide insisted we needed to learn the skill if we were to succeed.

Let me relate this principle to a business experience. In 1998, our business decided to hire an investment banker to help find a potential buyer or partner for our company. By the fall of that year, we were deep into discussions with an NYSE listed company regarding the acquisition. During the next few months, I called upon every skill I had acquired during my education and trek through corporate life. As we reviewed our statements of past performance and developed complicated financial proformas requested by the acquiring company, I reflected back to the “pain” that I endured in William Edwards finance class during my BYU undergraduate program.

Dr. Edwards was a successful business and academic professional who believed in steep ascents—no easy walks through his class. He firmly believed in the old adage, “No pain, no gain.” My day at 15,000 feet learning the right-stride technique was much like the many hours spent working on projects in his finance class. Though my desire

may have been to avoid the effort, I was willing to endure the pain for the education. He required excellence in everything we did. By the way, we successfully sold the company—I wish that Dr. Edwards were still with us so I could thank him personally.

PRINCIPLE 3: LISTEN~

Seek counsel from those you trust

As we consider seeking counsel, it’s worth remembering what Norman Vincent Peale said, “The trouble with most of us is that we would rather be ruined by praise than saved by criticism.”

Day one of the Kilimanjaro climb was a 1,500-foot ascent over approximately five miles in a tropical forest. Because of the humidity, I wore a pair of waterproof boots instead of my more comfortable mountain climbing boots. By the time I arrived at camp that evening, I had developed severe blisters and still had several days of climbing ahead. Full of great anxiety, I told my children of my condition. I honestly didn’t know if I could continue. We decided to wait until morning before making a final decision.

That night, my mind raced as I worried about what to do. Should I descend from the mountain, leaving my children with people I barely knew to continue the ascent? Or, should I continue on, risking even more injury to my feet and perhaps a more difficult evacuation from the mountain? At daylight, I approached our guide, Alex, to discuss my alternatives.

He listened carefully and then began to counsel me. “Gary, we need to take this one day at a time,” he said. “We can’t solve all of the ‘what ifs’, but we can deal with this each day and do what is needed to keep you on the climb.” Alex then concluded, “As we face what appear to be overwhelming obstacles, we hinder our ability to move forward by over-processing information.”

I agreed with his plan and prepared to leave camp with my family. I covered my feet in moleskin, switched boots, and moved on to camp two. Each day Alex and I discussed the situation, and my children helped administer to my needs.

John Wooden, perhaps the greatest coach in the history of college basketball, once said that, “It’s what we learn after we think we know it all that really counts.” Alex taught me what was needed to continue the quest.

*Don’t sacrifice
what you want
most in your
career for what
you want at the
moment.*

In my career, I often struggled with how I could move from the life of a corporate executive to that of an entrepreneur. I had learned how to run a business, but I lacked the idea to start something new. My church responsibilities allowed me to become good friends with a local leader. Over the years, I gained confidence in his ability to mentor me on professional decisions.

He had a very successful business developing large tracts of land and building homes. Much like me, he knew how to run a business, but lacked the skills needed in his industry. He partnered with someone who was skilled in the construction trades, and together they built one of the largest businesses in their market.

As we talked, I recognized my skills were similar to his talents. He helped give me the vision that would eventually lead me to form a partnership with a skilled professional in software development. Together, my partner and I were able to take a company that we bought and build it into the largest firm of its size in our market.

As we read in Proverbs 13:20, "He that walketh with wise men shall be wise; but a companion of fools shall be destroyed." Over the years I have chosen carefully those whom I considered mentors. These lifetime guides have provided for me insight, inspiration, confidence, consolation, and often just a listening ear.

PRINCIPLE 4: OBEY~

Be true to yourself and to your conscience

There were several times on the mountain when we turned to that inner voice of reason and guidance. The daily routine revolved around arising early, eating, breaking camp, traveling to a lunch stop, trekking on to the day's destination, and setting up camp. The porters assumed the backbreaking work by carrying all the essential food and supplies, including our gear. We carried only those items needed during the day.

The division of labor troubled my children; their consciences would not permit them to watch as others labored. Each morning, they would help with the duties. To be true to what they believed, they knew that they must help, even though they were tired. At the Crater Camp at 18,500 feet it was difficult to breathe and extremely cold. Liquids

would freeze in a matter of seconds and the basics of life, eating and sleeping, were uncomfortable. The kids labored on. They never compromised their values. I love them for what they did and how they behaved. They didn't need to help, but they did anyway.

One of the greatest examples of being true to ourselves and acting as we know we should is the life of George Washington. After leading the country through the struggle of the Revolutionary War, Washington could have become the first king of America. Many wanted him to assume the role. Instead he shied away from leadership and needed to be convinced to return to the service of his country.

While living on the West Coast I had the opportunity to work with a fast-growing technology and manufacturing firm. I negotiated a stock option to purchase an ownership position in the firm after two years of employment. Three individuals founded the company and had never allowed anyone to buy into the firm.

The terms of my buy-in were very favorable and would guarantee my future with the company. One or two of the owners would be retiring within a short period of time, and I was set to move into a position of significant responsibility. As I considered my actions, all logic pointed to my exercising the ownership option and securing my position.

As I explored my inner feelings, I knew what was right for me and my family. If I were to be true to myself, I would need to decline the option to purchase stock, which would signal to the founders that I was not going to stay with the firm. I knew that my value system differed from theirs and that I would possibly never be comfortable as their partner. As I look back on that decision, it was the right one in every way. What seemed to be too good to be true was just that.

Staying with that firm may have precluded the other opportunities in my life for which I am grateful. We can learn much from what we know to be right; we must develop the courage to act on the promptings of our conscience.

We must develop the courage to act on the promptings of our conscience.

What is the result of following the four principles of planning, preparation, listening, and obedience as we ascend the summits of our lives? In the case of our attempt to climb Mt. Kilimanjaro, it meant reaching the summit on 13 August 2000.

As you consider your career path, let me share with you an anonymous quote that I carry with me in my planner. "Our achievements are shaped by the terrain of our lives and the strength of the foundations we set. In building the life we've imagined, we must be true to our beliefs, dare to be ethical, and strive to be honorable. For integrity is the highest ground to which we can aspire."

If we are willing to strive with integrity in our lives, I believe that we will not only succeed in our ascents, but we will also cast a light on others and the organizations that we serve. Let me conclude with a quote from the movie *Anna and the King*. Anna is preparing to depart Siam. The boy King Chulalongkorn is looking at Anna and begins to reflect on the influence that she has had on the people and country of Siam.

"It is always surprising how small a part of life is taken up by meaningful moments; most of them are over before they start, although they cast a light on the future and make the person who originated them unforgettable. Anna had shined such a light on Siam."

I wish the best for you as you cast your own light on the future and achieve success in your careers through integrity in planning, preparing, listening, and obeying. **M**

ABOUT THE SPEAKER

Gary Williams was recently recognized as the Marriott School's 2003 Honored Alum (See news article, p. 31). This article is adapted from the Honored Alum Lecture delivered to students 9 October 2003.



TIGHTENING

A L O O K A T T H E S E C

ITS LEASH

By
Douglas McInnis
Illustration by
Mick Wiggins

Five years after the great stock market crash of 1929, Congress created the Securities and Exchange Commission to keep a close eye on corporate finances. No one wanted to face another crash fed by corporate corruption and a market gone wild.

For more than sixty-five years the system worked reasonably well. But in 2000, after nearly a decade of boom, the market began a slide that lasted more than two years. One reason—corrupt corporate accounting. Dazed investors learned the SEC had tried to head off the wave of accounting scandals but it had been hamstrung by Congress, which failed to give it the money needed to police the booming stock market.

The SEC's problems were compounded by the failure of the private sector at nearly every level to do its job, says Bernell Stone, visiting scholar at the SEC and finance professor at the Marriott School. "There was a failure on the part of accountants,

lawyers, investment bankers, commercial banks, securities analysts, and corporate boards to protect investors. In many cases they became allies of unethical corporate managers," he says.

Investor greed for higher earnings, growing corporate debt, and "increasingly significant moral decay" in American society added to the volatile mix that led to the accounting scandals, says Steve Albrecht, an internationally known fraud expert and associate dean at the Marriott School. "Eventually, all these factors came together in what I call the 'perfect storm,'" he says.

Fortunately, Congress has passed new laws to help the SEC crack down on corporate lawbreakers and approved new funds to beef up the agency's overworked staff. In the long run, this should help tame the accounting manipulations that made Enron, WorldCom, and Tyco household names. But in the short term, accounting irregularities persist and new problems

continue as the SEC tries to regain its hold on the markets.

AN EROSION OF INVESTOR PROTECTION

After booming through much of the 1990s, the market peaked on 14 January 2000, as the Dow hit 11,772. Then the long slide began. The attack on 11 September 2001 drove the average still lower. But the Dow began to recover, pulling above 10,000 in early December of 2001, before the Enron bankruptcy ushered in the corporate accounting scandals. By mid-2002, the Dow bottomed at 7,702, a loss of more than 4,000 points from the market high. The NASDAQ index underwent a meltdown, losing roughly 80 percent of its value.

What went wrong? Arthur Levitt, SEC chairman through most of the 1990s, supplied some of the answers in his recent book *Take on the Street—What Wall Street and Corporate America Don't Want You to Know*.

“Investor protection is supposed to be the responsibility of three institutions: The SEC, the stock exchanges, and the courts,” Levitt wrote. “Yet over the past several years, the effectiveness of each has been eroded.”

Levitt portrayed the SEC as an agency unable to do its job because of inadequate funding and pressures from businesses and members of Congress who jointly sabotaged proposed regulations designed to prevent the sort of accounting fraud that helped bring down the market.

The underfunded SEC was woefully short-staffed for a workload that ballooned in tandem with a national stock-buying frenzy. By the year 2000, corporate America filed nearly 100,000 financial documents with the SEC—or about 1,000 documents for every accountant assigned to scrutinize them. That meant each accountant was supposed to examine roughly forty documents a week, or about one every hour. Some documents ran hundreds of pages, so the task was impossible.

Thus, the SEC faced the unenviable task of trying to figure out which companies were filing honest earnings numbers and which weren't. This is a tough job in the best of circumstances, because a set of books created through carefully crafted fraud may look pretty much like an honest set of books.

“If somebody is cheating, it's hard to find it in the documents,” says Everett Smith, a 1983 BYU MAcc graduate who worked as an attorney in the SEC's Division of Corporation Finance from 1990 to 1996. “Just look at Enron.”

Albrecht says, “The SEC gets tons and tons of annual and quarterly reports from corporations. Unless the SEC gets a tip, they probably wouldn't investigate these filings for fraud.”

So an investor looking at corporate financial statements on the SEC's web site might be basing his or her investment decisions on page after page of falsified numbers. It happened to the thousands of

individuals and funds that bought Enron stock. They were soaked for \$60 billion. Stockholders at Tyco, WorldCom, and many other firms also suffered big losses.

SCANDALS FORCE CONGRESSIONAL ACTION

Fortunately, Congress pays attention to scandals that cost Americans their pensions. In the wake of the latest market disaster, lawmakers mandated a series of reform measures geared to help the SEC find corporate crooks.

Congress has given the agency more cash to beef up its accounting and legal staff. And, it passed the Sarbanes-Oxley Act, which requires top corporate officers to certify that their financial statements are accurate.

The same act also targets the auditing industry, which was riddled with conflicts of interest. A Dow-Jones Newswire study found these firms made \$3.7 billion on consulting and other non-audit services in 2000. This was triple what they made auditing corporate books. So there was little incentive for accountants to kick the tires as they examined corporate ledgers. To do so invited the loss of lucrative consulting contracts.

Former SEC Chairman Levitt sums up the situation this way, “Corporations were playing with the earnings calculation until they arrived at the best possible number. Auditors, increasingly captives of their clients, would give them the clean audits they wanted, despite lots of chicanery.”

During his tenure as SEC chairman,

1900 U.S. stock markets are unregulated
1929 The Great Crash
1934 Securities and Exchange Commission created
1952 With Depression memories still vivid just 6.5 million Americans own stock
1985 As the economy takes off 40 million Americans own stock
1999 As the market nears its peak, 80 million Americans own stock

SEC TIMELINE

Levitt sought to enact rules that would have barred such conflicts, but the effort was short-lived. Pressure from auditing firms, from business, and from members of Congress who threatened to cut the SEC's funding, forced Levitt to back down.

The accounting scandals, however, spurred Congress to reverse direction. Under the Sarbanes-Oxley Act, auditors are now barred from providing many non-audit services to their accounting clients. But the act doesn't close the door entirely. Auditors can continue to provide tax accounting and certain advisory services.

A BIG JUMP IN WHISTLE-BLOWING

Fortunately, the scandals have spurred a big jump in corporate whistle-blowers, and this is a huge help to the overworked SEC lawyers and accountants. In essence, the tipsters are telling regulators where the bodies are buried. Typically, such tips come as anonymous phone calls or a letter signed "someone who cares," says former agency attorney Smith.

"The whistle-blowers are usually people involved in the financial aspects of the company, and they can pretty much pinpoint what happened," says Jacob Given, a Marriott School accountancy student who works as a research specialist in the SEC's Los Angeles office. "These days we get a lot of people calling in."

Insider tips may help head off future Enrons. That's important because a market crash vibrates through the economy

THE SEC'S REVIEW PROCESS

The SEC specifies which documents companies must file, when they must be filed, and what must go in them. Sample documents include annual reports, proxy statements, quarterly reports, and stock and bond registration statements. As documents come in, they are posted on the SEC's web site, after which the text is sent to SEC lawyers to examine while the numbers go to agency accountants.

Omissions and outright fraud can be difficult to find by examining the documents. To look for instances of each, SEC staffers scan the Internet for revealing news stories. A search might reveal that a company is facing huge product liability judgments that it didn't disclose in its SEC filings. Or the SEC might find a web site reference to a shareholder's lawsuit that alleges fraud.

The SEC also compares a company's profitability with others in its industry. If the numbers look too good, there may be a problem. But some fraud is very difficult to find and that's why the SEC needs tipsters. Without tips, the SEC has to look for fraud by looking at the numbers, and that's a difficult, often impossible job. Someday, however, computers may help by analyzing a company's books for patterns that may indicate deceit.

One recurring problem has nothing to do with fraud. All too often, companies turn in documents that are unintelligible to investors because they are full of jargon or legalese that only a company insider could interpret.

When that happens, the SEC tells the company to rewrite the offending sections in plain English, says Greg Belliston, an attorney with the SEC's Division of Corporation Finance. The SEC even has a title for this process—"The Plain English Initiative," says Belliston, who received his MAcc from the Marriott School in 1998 and his JD from BYU in 2002.

The agency also drafts rules used to implement new securities laws passed by Congress. This is a complex process because business has the right to object to the way SEC staff wants to draft new regulations, and often does so. "There's plenty of interaction between business and the SEC in the rule-making process," says John Faust, a staff attorney who works in the rule-making office of the SEC's Division of Investment Management and a 1998 Marriott School MBA graduate. "In the last year and a half, we've had a tremendous amount of rule-making that was spurred by the accounting scandals. A lot of things had gone wrong, and Congress was trying to create regulations to curb those abuses."

2000 Dow peaks at 11,772
and the market slide begins

2000 SEC pushes conflict-of-
interest rules for auditors

2001 Enron bankruptcy begins
accounting scandals

2002 SEC launches dozens
of accounting and insider
trading investigations

2002 Congress passes
Sarbanes-Oxley Act

2003 SEC opens investigation
of mutual fund industry

2003 SEC approves measures to
revamp governance of the New York
Stock Exchange

leaving almost no one untouched. When the market slide began in 2000, so did the value of college endowments and pension funds. The Enron debacle alone cost Florida's state pension system \$325 million and the University of California's pension fund and endowment lost \$145 million.

Insurance companies were battered as well. Insurers often make money by invest-

ing premiums in stocks. When the market plunges, insurers make up for investment losses by raising the premiums on all kinds of insurance.

Millions of individual investors were also battered. Some Enron employees not only lost their jobs, but they watched the value of their 401-K retirement plans, which were heavily invested in Enron stock, drop to nearly nothing.

Falling markets are often accompanied by slumping economies, and that has happened in the current downturn. When Americans see their net worth rising, economists say, they are more likely to spend. When their stock portfolio is sliced in half, or worse, they are more apt to shun big-ticket purchases that help to drive the economy.

Former Harvard University economist John Kenneth Galbraith describes a similar cause-and-effect relationship in his book *The Great Crash 1929*, which looked at America's worst market collapse. "The stock market crash and the speculation which made it inevitable had an important effect on the performance, or rather the malperformance, of the economy in the ensuing months and years," Galbraith wrote.

By those lights, a revival of the stock market could help to spark the sputtering economy, which has suffered a net loss of jobs since late 2000. But luring investors back to the market is no easy task. Many of them continue to avoid the market lest they get stung by a new wave of corporate accounting scandals.

ACCOUNTING PROBLEMS CONTINUE

Investors' fears aren't without foundation. One gauge of how well Wall Street has reformed is the number of incidences in which corporations have been forced to restate earnings data. Huron Consulting Group, a national consulting firm, recently looked at the issue and found matters had not improved.

For the year ending 30 June 2003, a total of 354 publicly traded companies had restated earnings because of accounting errors. "When comparing quarterly filing activity on a year-to-year basis, we have not observed a slowdown in the volume of restatement filings for accounting errors," says Joseph J. Floyd, Huron's chief operating officer.

SEC'S VISITING SCHOLAR BERNELL STONE



Marriott School Professor Bernell Stone is serving a one-year term as a visiting academic scholar at the SEC. Stone is part of a team tackling one of the agency's toughest problems—how to spot companies that have “cooked their books” and given the SEC phony profit figures.

With a background in computer science and applied mathematics, Stone is trying to create software that will allow computers to screen tens of thousands of financial documents annually for problems. If the computer can throw up a red flag, it will tell SEC accountants and lawyers where to best spend their time. Initially, the effort will focus on 10-Ks or annual reports and 10-Qs or quarterly reports.

“Instead of looking at all reports equally, we want to see which ones potentially have a problem,” Stone says. “We want to get through the forest and see which trees to look at.

“We have traditionally looked at financially distressed companies. But we missed Enron, WorldCom, and Tyco. They were hyping the numbers so much that they looked like they were high-performing companies.”

The son of a chemist, Stone got his undergraduate degree in physics at Duke University and his master's degree at the University of Wisconsin. But he shifted his focus for his PhD at MIT, with dual majors of applied mathematics and management and minors in economics and computer science. At MIT, he worked with two Nobel laureates in economics, Paul Samuelson and Franco Modigliani. “Both of them pointed me toward financial economics,” Stone said.

Stone is the Harold F. Silver Professor of Finance at the Marriott School and an internationally recognized expert in financial systems, especially those that involve cash management, bank operations, payments systems, and corporate planning. He was founding editor of the *Journal of Cash Management* and has served as associate editor of six other journals.

He has written more than one hundred financial journal articles and four books. A fifth book, *Corporate Cash Management*, is scheduled for publication by Oxford University Press in late 2005. Stone's recent research has focused on such areas as stock return forecasting, investment management, financial reform, and mortgage redlining.

He was recruited to BYU in 1986 by Dean Paul Thompson, who was in the process of making the Marriott School one of the country's top business schools. “I bought into his vision,” Stone says.

The SEC has not hired significantly more staff, even though Congress has given the agency the money to do so. Lynn E. Turner, who served as the SEC's chief accountant under Levitt, says two factors are to blame. First, there is a shortage of professionals with the legal or accounting skills required at the SEC. Second, the SEC is hampered by antiquated hiring practices. "They're just not getting ramped up that fast," Turner complains.

He says the SEC has also failed to take the lead in efforts to crack down on recently uncovered wrongdoing by Wall Street firms. Instead, the leadership role has been snatched by New York's aggressive Attorney General Elliot Spitzer, who has mounted, with minimal resources, a frontal assault on Wall Street corruption.

"I love the SEC and what it has accomplished," says Turner. "But one thing is driving me batty: on the major issues, it has not been the SEC that has brought action first. Spitzer has gone first."

Turner says tipsters were going to Spitzer with allegations of corporate fraud instead of turning to the SEC because "they aren't sure the SEC will get the job done. They know Spitzer will. And, Spitzer has done it with a staff of a dozen attorneys. The SEC has hundreds. It's a case of the tail wagging the dog."

But BYU's Bernell Stone sees a brighter picture. He believes the structural problems

that allowed corporate corruption to thrive are being cleaned up, thanks to pressure from a wary investing public.

He cites efforts to double watchdog staff at the SEC, tough new provisions of the Sarbanes-Oxley Act, and moves by corporate managements to return to accurate bookkeeping.

The shift to better bookkeeping is a direct outgrowth of investor pressure, Stone says. "Investors are demanding better corporate governance. The stocks of corporations that play numbers games with their books are being avoided," he comments.

"It's all part of a cycle we've seen before—the boom, the bust, and the demand for reforms so it won't happen again. If you look at the history of the 20th century, you had the booming markets of the 1920s, the crash, and the reforms of the 1930s," Stone says. "We had the bull markets of the 1980s and 1990s, the extreme bubble, and then the bust. Now we're seeing the pressure for reform." **M**

ABOUT THE AUTHOR

Douglas McInnis writes about business, science, and agriculture from his mile-high base in Casper, Wyoming. He has a BA from Oberlin College and has written for the New York Times, Popular Science, and leading farming and ranching magazines.

THE SEC IN BRIEF

Year founded: 1934

Headquarters: Washington, D.C.

Employees: 3,100

Local and regional offices: 11

Governing body: A five-member commission appointed by the president

Number of enforcement cases: About 400–500 annually for infractions such as insider trading and accounting fraud

Four operating divisions:

- 1) Corporation Finance—handles the disclosure of corporate information and financial statements to the public.
- 2) Market Regulation—regulates broker-dealer firms, stock exchanges, and the National Association of Securities Dealers.
- 3) Investment Management—regulates investment companies, such as mutual funds, and investment advisors.
- 4) Enforcement—investigates possible violations of securities law. Civil cases are handled by federal courts or administrative law judges. Criminal cases are referred to the Justice Department.

LURING INVESTORS BACK TO THE MARKET IS NO EASY TASK.

SCHOOL NEWS

Information Systems Research Ranked in Top Thirty



A recent national study has recognized the Marriott School's Information Systems Department as 26th in the country for research.

Professors from Rice University and Pepperdine University conducted the study for Academic

Assessment Services. The study included more than one million academic article citations to measure a school's research productivity and to determine the impact research articles have on the academic community.

"This ranking recognized us as a department that is growing and progressing," comments **Douglas Dean**, assistant professor of information systems. "This is the first time we've been ranked; we're on the radar screen now, and I think we'll move up over time."

Some examples of recent publications coming from BYU's information systems department include: **Douglas Dean**, **Paul Lowry**, **William Heninger**, and **Conan Albrecht's** research on group decision and support; **James Hansen**, Lowry, **Bonnie Anderson**, and **Scott Sumner's** research on model checking; and Dean's research on group support systems' impact on creativity.

Summers, an associate professor of information systems, said it can take years to get an article published and then a few more years before an article is cited. "To be cited means you're charting new waters that others follow," he says. "BYU's primary mission is not focused on research, but other schools' are, so being noted in this ranking is really exciting."

The Academic Assessment study results were presented at the International Business and Economic Research Conference on 6 October. For more information on Academic Assessment Services or to read a copy of the report, visit academicassessments.com.

"We're pleased that the research efforts of our information systems faculty are shining new light on the field and reflecting positively on the school," says Dean **Ned C. Hill**. "This recognition is evidence of the school's emerging expertise in information systems."

MARRIOTT SCHOOL LAUNCHES ONLINE ALUMNI NETWORKING SERVICE



What ever happened to the guy in your accounting class with the tapered jeans? What about the girl with the loud laugh who skewed the curve? Have you lost track of friends from a study group?

A new service provided by the Marriott School may hold the answers. After more than eighteen months of planning, designing, and programming, the school has launched the alumni portals web service. Each portal is customized to a specific program and graduating class (i.e. MBA 2002, BS Accountancy 2004, etc.). The portals place powerful tools in the hands of alumni to renew connections and establish new relationships.

Entrance through an alumni portal provides access to class directories, alumni profiles, career management tools, Management Society links, and a powerful search of forty thousand Marriott School and nearly half a million BYU alumni.

"I believe this new tool will help our graduates really leverage their Marriott School degree," says Dean **Ned C. Hill**. "One of the benefits of going to this school is the strength of the alumni network you're tied into. We've had wonderful people through here who are doing great things."

The alumni search tool allows for searches by degree, graduation year, industry, expertise, employer, geographic area, name, or any combination of these. Graduates can also upload photographs and files as well as manage their own profile—controlling access to personal information by choosing what information they want displayed.

"A significant feature of the new alumni portals is the class directory that's customized to your class year and degree," says **Robert G. Gardner**, director of Marriott School Alumni Relations. "It shows who graduated in your class and also connects you to the greater BYU alumni database so you can conduct a broader search."

Gardner says the new networking tool was created after consulting with other alumni and evaluating students' suggestions about enhancing the Marriott School's alumni networking services.

"Alumni portals use the online environment to harness the power of our alumni network," Gardner adds. "This service is designed to bring your Marriott School community closer to home."

Alumni portals are accessed online through marriottschool.byu.edu under the "alumni portals" link. Both graduates and currently enrolled students may gain access to the new service with a net ID assigned by the university. Net IDs can be created through the site for graduates who do not have one.

Donny Osmond Speaks at eBusiness Day



Donny Osmond gave the keynote address at eBusiness Day on Friday, 10 October; he spoke about how he has used technology throughout his career. "We live in a great day and age where information is at our fingertips constantly," he said.

Osmond showed examples of how recordings are technologically enhanced. He specifically spoke about the evolution of the music recording industry. Osmond recorded his last CD in the United States, singing into his laptop in his dressing or hotel room, editing the files on airplanes, and emailing them to his producers in England.

"It's one thing to be good at what you do. It's another to be the best," he told the audience. "You can be just passable, or you can go

beyond that. In everything I do, I try to go one step further.”

Osmond has been in the entertainment industry since he was six years old and continued his career as a pop musician and Broadway and television star. He now hosts the game show *Pyramid* and last year released the CD *Somewhere in Time*.

NAC Members Step Up in Government Positions

President George W. Bush appointed **Bernard Daines**, a member of the Marriott School’s National Advisory Council, as a member of the President’s Information Technology Advisory Committee. Daines, the chairman and CEO of Linux Networkx, was selected for the two-year appointment for his expertise in high-performance computing and his experience in the networking industry.

On 5 November 2003, NAC member **Olene S. Walker** was sworn in as governor of the State of Utah. She replaced Mike Leavitt who left for Washington, D.C., to head the Environmental Protection Agency. Walker, who was previously Utah’s lieutenant governor, will serve as governor until January 2005.

FACULTY NEWS

University Honors Organizational Leadership and Strategy Professors



BYU honored two professors in the Marriott School’s Department of Organizational Leadership and Strategy at the 2003 University Conference. **Wm. Gerard “Gerry” Sanders** received a Young Scholar Award and **Kristen B. DeTienne** was named an Alcuin Fellow.

“Professor Sanders is visible nationally and internationally as one of the rising stars in his field,” says OLS Chair **Michael Thompson**. “He is among the most rigorous of our teachers and has begun to serve as a mentor to younger faculty—all of whom trust his advice on the design and delivery of excellent course material.”

Since coming to BYU in 1996, Sanders has published ten articles in top journals such as *Strategic Management Journal* and the *Academy of Management Journal*. He received the Young Scholar Award, which recognizes outstanding promise and contributions by

faculty in the early stages of their academic careers.

The Young Scholar Award is a three-year appointment and carries a \$3,000 annual salary stipend and a \$5,000 annual support award.

The university awarded DeTienne an Alcuin Fellowship that recognizes teacher-scholars whose work at the university has made significant contributions to the general educa-



tion and honors curriculum. Fellowship appointments are also for three years and include \$2,500 annually for curriculum development, teaching, and research support.

“I feel very honored,” DeTienne says. “I’m thankful to work at a great university and with such bright, motivated students.”

MARRIOTT SCHOOL JUMPS IN RANKINGS



The Marriott School advanced to 26th from 38th in *The Wall Street Journal*’s 2003 ranking of top business schools worldwide. BYU was also ranked 2nd in the new “Emphasis on Ethics” category as “best for hiring graduates with high ethical standards.”

“We’re gratified by the spotlight this recognition shines on our students and the values of our sponsoring institution,” says

Dean **Ned C. Hill**. “And while it’s a great honor to be ranked next to other top academic programs, we’re most excited about our showing in the new ethics category.”

The paper reports, “Indeed, some recruiters say they are drawn more these days to religious schools like Notre Dame and Brigham Young University. Recruiters find Brigham Young produces an especially valuable type of graduate these days: the ethical accountant. Brigham Young, which is sponsored by The Church of Jesus Christ of Latter-day Saints, is considered one of the best schools for hiring students with high ethical standards.”

In addition to a significant jump in the overall rankings and top marks for ethics, the Marriott School ranked 3rd in the “Hidden Gems” category, a ranking of ten schools that “don’t receive the respect and attention they deserve.” BYU graduates received high ratings for analytical and problem-solving abilities, communication and interpersonal skills, fit with the corporate culture, and team orientation.

“Two categories where we compared less favorably—work experience and diversity—are areas where we’ve already begun focusing attention,” says **Maurice Stocks**, assistant dean of corporate development and career management. “Postbachelor’s full-time work experience for this fall’s entering MBA class was 3.2 years—excluding mission experience. And, the school launched a major diversity initiative last year to recruit more underrepresented students, enhance the school’s internal climate, and hire minority faculty members.”

The Wall Street Journal worked with market research firm Harris Interactive to survey 2,191 MBA recruiters. Recruiters were asked to rate each school on twelve student, twelve school, and two overall attributes. Recruiters evaluated attributes such as quality of past hires, analytical and problem solving skills, leadership potential, personal ethics and integrity, and strategic thinking.

Although more than 468 accredited business schools were considered, the final sample of business schools eligible and available for rating included 183 U.S. schools and 73 non-U.S. schools.

“We work hard and know we’re quality students, but it’s encouraging when recruiters validate that thinking with a high ranking,” says **Jessica Johnson**, MBA Student Association president. “It’s exciting to see BYU’s reputation growing. Good rankings not only help current students as they search for jobs but also increase the value of a BYU degree for those out shaping their careers.”

STUDENTS WIN FORTUNE SMALL BUSINESS COMPETITION



Left to right, top: Jordan Jones, Jeremy Morrill, David Bateman; bottom, Michael Trionfo and Benjamin Zimmer.

Like a good husband, **David Bateman** listened when his wife complained about inefficient software used at the apartment complex where she worked. Then, like a good entrepreneur, the business student started a company to make the most of the situation.

Bateman's company, Property Solutions International, Inc., and the business model he helped develop worked so well it won *Fortune Small Business* magazine's first nationwide business plan competition.

Joined by his business partners—BYU students Benjamin Zimmer and Michael Trionfo and nonstudents Jeremy Morrill and Jordan Jones—Bateman accepted the \$50,000 award 30 October at a ceremony in New York City. The BYU undergraduates beat graduate students from the University of Georgia and Harvard, the second and third place winners, respectively, to claim the top spot in what was dubbed the "MBA Showdown." The BYU team is featured on the cover of the November issue of the magazine, a sister publication to *Fortune*.

"This is unbelievable," said Bateman, president and CEO. "We are so excited to have won the showdown, especially with such stiff competition."

The management team got its first taste of victory in April when it won the \$25,000 grand prize in BYU's annual business-plan competition, thus qualifying for the national showdown. Fifty-nine entries from forty-nine top-tier schools like the Haas School of Business at the University of California at Berkeley, the Wharton School at the University of Pennsylvania, and the Stanford Graduate School of Business were submitted to the competition. In July, eight teams chosen as finalists made ten-minute teleconference presentations to venture capitalists and magazine officials judging the competition.

"It's been hard to wait these last few months to see how everything would turn out," said Trionfo, an electrical engineering student and lead requirements analyst. "But it was worth the wait."

Bateman and Zimmer took the company from paper to the real world in the spring. Property Solutions now boasts thirty full-time employees in Dallas, Las Vegas, California, Idaho, and Utah. Using the company's software, called VantageXP, apartment complex managers can easily create individualized web sites that let potential tenants take virtual tours and allow current tenants to pay rent online. An impending version of the software will synchronize with managers' accounting systems to save time and money. The product is currently being used on forty-five properties in Utah, Idaho, and Texas—the biggest being Utah-based Triton Investments, which manages close to three thousand units. The students credit BYU and its Center for Entrepreneurship for helping them win the competition and start their business.

"The analytical and writing skills that I've learned as an English major have served me well; they've been very applicable," said Zimmer, executive vice president, from Port Orchard, Washington. "The resources at BYU are unbelievable for students who want to start their own business. We really owe a lot to BYU—everyone has been very generous."

Bateman, who founded another web-based company, DearElder.com, agrees.

"I never would have started Property Solutions were it not for BYU's Center for Entrepreneurship," said Bateman, who used \$160,000 in profits from DearElder.com to fund the development of his new company. "Beyond my regular classes, the business plan competitions and the student entrepreneur of the year competition gave not just me, but many students, the incentive to go out and try new things. I think that later in life I would have arrived at this point, but I certainly wouldn't be here now were it not for the involvement I've had with the Marriott School."

The Alcuin Fellowship is named for the eighth-century scholar Alcuin of York, master of all the liberal arts, who headed the Palace School of Charlemagne and brought about major education reform throughout the Frankish kingdom.

"DeTienne has won the respect of colleagues and students alike as someone of broad understanding who is deeply committed to the aims of a university education," says Dean of Undergraduate Education George Tate. "This is especially welcome and noteworthy in a faculty member from one of the professional schools."

STUDENT NEWS

Students Help Launch Pete Suazo Business Center



Left to right: Marcelo Ontiveros, Ned Hill, Louise Illes, and Jessica Johnson.

Students from the Marriott School helped successfully launch the Pete Suazo Business Center, Salt Lake City's newest business support facility for Utah's Hispanic and underserved communities.

As part of the Marriott School's Service-Learning Initiative, graduate students **Jessica Johnson, Geoff Howard, Marcelo Ontiveros, Adam Stevens, Adrian Araoz, Brenda Sandoval, Marcie Holloman, and Miguel Romero** played an integral role in the center's formation and launch. They developed a web site, marketing presentations, business plan, financial statements, and strategic plan for intake assessment.

"The students have been instrumental in helping the center get off the ground," said Sam Guevara, vice chair of the center. "We're really looking forward to continuing our partnership and moving into the next round, when students will be able to work with clients, evaluate and collect data, and help the center make educated decisions."

The Pete Suazo Business Center was officially launched at an opening ceremony 22 August. Students put together press kits and helped coordinate the opening press conference.

"Helping the center arrange the launch gave me an inside perspective of what it's really like to start a nonprofit organization," said Johnson, a second-year MBA student from Sierra Vista, Arizona. "I learned it's a balancing act that requires a lot of drive and devotion, but it's very rewarding in the end."

More than one hundred people attended the opening ceremony, including Sen. Robert F. Bennett, who spoke and cut the ribbon. Sen. Bennett, Dean **Ned C. Hill**, and major donors were given keys to the center and recognized for their support.

"It was wonderful working with so many people motivated to do something for the welfare of others," said Ontiveros, a second-year MBA student from Mendoza, Argentina. "We really felt a responsibility to do things right for the center and all those involved."

Marriott School students plan to continue working with the Suazo Business Center and other community-based organizations through the school's service-learning and diversity activities, which are integrated into several undergraduate and graduate business courses. Students are able to practice business problem-solving and needs assessment as they partner with groups that provide services to individuals and groups from different cultures and economic backgrounds.

"Several of the students involved with the center told me this experience was one of the most meaningful of their graduate program," said **Louise Illes**, director of Service Learning and member of the Diversity office and Suazo Business Center Board. "These kinds of opportunities encourage students to respect difference and become more civic-minded."

The new center is named after the late Utah Senator Pete Suazo and serves as a business resource and network for the city's growing Hispanic and underserved communities. Business courses offered include entrepreneurship, English as a second language, business plan development, bankruptcy, credit, and computer skills. The center is located within Suazo's former district at 625 West Girard Street (540 North).

"The new facility plays a critical role in the development and empowerment of the minority community in Utah," said Gladys Gonzales, chair of the center. "Clients receive

one-on-one counseling and business training with the appropriate tools to overcome language and cultural barriers."

MBA Students Win Investment Competition



D.A. Davidson representatives Brent T. McCandless (left) and Dudley L. Probert (center) greet Dean Ned C. Hill during a first-year MBA investments class.

In an economy characterized by receding retirement funds and a volatile stock market, a group of BYU MBA students beat the odds—and eighteen other universities—to win the D.A. Davidson & Co. investment competition. Recognizing the 32 percent return students earned, the company gave the Marriott School's Peery Institute of Financial Services a \$7,000 check for successfully managing the company's \$50,000 investment portfolio last year.

"BYU came in No. 1 in the competition of eighteen schools in the northwest," says D.A. Davidson Vice President Dudley Probert. "They were tremendous."

Under the D.A. Davidson Student Investment Fund program, the brokerage firm provides a team of business students from each school with \$50,000 to invest, as a partner-in-education exercise. Depending on the students' performance, the schools can receive a share of the profits. Returns are calculated at the end of August each year, and schools receive one-half of investment returns above 5 percent. D.A. Davidson & Co. absorbs any losses and makes sure the team starts each academic year with \$50,000 to invest.

"These MBA students put a lot of time and effort into doing the background research on which companies were bargains in the stock market and which ones were not," says MBA Business Management Professor **Steven Thorley**. "Based on presentations in class, the students voted on whether or not they felt a persuasive reason to buy a particular stock."

Overall, the eighteen schools participating in the investment program achieved an average annual return of 13.19 percent. This compares with the S&P 500 and the Dow Jones Industrial Average, which produced returns of 12.06 percent and 11.37 percent respectively for the same period. Nearly half of the schools beat these major indices.

In-state rival the University of Utah came in second with a 30 percent return while Boise State University achieved the third-highest return of 27 percent. Utah State University had a return of 17 percent, which landed the Aggies in sixth place.

"It's wonderful our students have the opportunity to invest real dollars and get a sense of the exciting world of investing and the pressures of making right decisions," says Dean **Ned C. Hill**. "We really appreciate the D.A. Davidson Company for providing the funding for the students and giving them, in a sense, a piece of the action so they can have this exciting experience."

The D.A. Davidson Student Investment Fund, which began in 1985, provides business students with an opportunity to apply modern finance theory to investment decisions involving actual market transactions. In addition, students have a greater incentive for their studies, knowing that they will soon apply the theories to practical fund management in the advanced courses. Their successes and failures show the value of the theories and give greater meaning to the concept of risk.

"The investment of time and effort—plus a little bit of luck—led to our success," says MBA student **Scott Stohltion**. "We watched and monitored the market on a daily basis and moved accordingly."

The program is the only one of its kind in the Northwest and one of very few in the nation in which students are given real money to invest and earn funds for their schools.

MBA students who participate in the D.A. Davidson program in their first year can be selected to manage a Marriott School portfolio called the Silver Fund in their second year. The Silver Fund donation was made more than twenty years ago by Harold Silver and other members of the Silver family with the express purpose to be managed by finance students during their MBA education. The original donation was about two hundred thousand dollars and has grown to be worth more than \$1 million.

NEW FACULTY BIOS

Chyleen A. Arbon

Chyleen A. Arbon is finishing her PhD from the University of Utah in political science with emphases in public administration and American government and politics. She earned

her MPA from the Marriott School and her BA from Brigham Young University.

Arbon's teaching interests include public policy theory, policy analysis, state government, statistics, environment of public administration, oral and written communications, and administrative theory. She is an assistant professor of public management.

Jeffery A. Thompson

Jeffery A. Thompson earned his PhD from the University of Minnesota in organizational behavior and ethics. He earned his MBA from the Marriott School and his BA from BYU.

From 1999 to 2003, Thompson was an assistant professor at Miami University in the department of management. His research interests include managing multiple work values and commitments, psychological contracts, ideological aspects of work, initiative-taking, and organizational ethics. He is an assistant professor of public management.

L. Scott Hobson

L. Scott Hobson joins the Marriott School faculty after nineteen years of professional auditing and consulting experience. Since 1996 he worked for Hilton Farnkopf & Hobson, LLC, as senior

vice president and partner at Hilton Farnkopf & Hobson from 1989 to 1995. Before that Hobson worked at Price Waterhouse in the management consulting services department and audit department. For two years he was an instructor at San Jose State University in the department of accounting and finance.

Hobson earned his MAcc from BYU with

an emphasis in management advisory services.

Jeffrey Ogden

Jeffrey Ogden earned his PhD in supply chain management and his MBA from Arizona State University; he earned his BS in accountancy from Weber State University.

Ogden's research interests include strategic purchasing, supply chain management, strategies, supply base reduction, e-marketplaces, CPO compensation, logistics, operations management, early supplier involvement in new product development, and buyer-supplier relationships and negotiations. Ogden has also worked for BMC West as an administrative specialist, manager, supervisor, and dispatcher.

Brian Boyer

Brian Boyer is finishing his PhD in finance from the University of Michigan Business School; he earned his BA from BYU in economics. His research interests include asset pricing,

investments, and econometrics.

He has worked as an instructor at the University of Michigan, a research assistant for the Board of Governors of the Federal Reserve System, and a course developer for Deloitte & Touche. Boyer is an assistant professor of business management.

Lawrence S. Kingsley

Colonel Lawrence S. Kingsley is the commander of Air Force ROTC Detachment 855 at BYU and professor of aerospace studies.

His last assignment was commander of the 39th Maintenance Group, Incirlik Air Base, Turkey, with combat responsibility for more than one thousand men and women.

He has held many command positions at headquarters, group, and squadron levels. In his twenty-six years of service, he has been stationed throughout Europe, the continental United States, and Alaska. He graduated from

the Utah State University Air Force Reserve Officer Training Corps with a degree in political science and entered active duty in 1978. He received his MS in political science from Central Missouri State University.

Mark E. Nugen

Major Mark E. Nugen is assigned to AFROTC Detachment 855 and is an assistant professor of aerospace studies. He graduated from Florida State University with a BS in communications and

enlisted in the U.S. Air Force in 1982. Nugen graduated from Officer Training School, Lackland AFB, San Antonio and was commissioned a 2nd Lt. on 24 April 1985.

He has served in various capacities, but was most recently promoted to major in 1999, and in 2002 he worked as logistics officer for the Transportation and Munitions Maintenance Squadrons.

John Armitstead

Major John Armitstead is an assistant professor of aerospace studies for the Air Force ROTC. He graduated from Utah State University with a BS in computer science, and he earned his

MS in computer science from the Air Force Institute of Technology, Wright-Patterson Air Force Base. He received his commission on 6 March 1987 through the Air Force Officer's Training School at Lackland Air Force Base, San Antonio, Texas.

He has served as a programmer, a software quality assurance analyst, an executive officer to a commander, and a project manager for the Air Force's premier war gaming simulation.

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A L U M N I N E W S

MANAGEMENT SOCIETY

Alum Receives Lifetime Service Award



R. Bruce Whiting is the 2003 recipient of the W. Lowell Benson Lifetime Service Award. The Marriott School honored him with the award at a banquet during the Volunteer Leadership

Conference 18 September.

Whiting was recognized for his exemplary service to the Arizona Management Society Chapter for more than fifteen years, during which he served as a member of both the executive and advisory boards.

"Bruce has been instrumental in the growth and success of the Arizona Management Society in many ways," said **Rick N. Bryson**, Steering Committee member from Arizona. "He's hosted officers in his Arizona Diamondbacks suite as a thank you for their service, attended the Management Society's National Leadership Conference, and been both a visible and behind-the-scenes supporter of the society."

After earning his accountancy and law degrees from BYU, Whiting began working for Kaibab Industries, where he eventually served as president for thirteen years. He was also one of the founders and first CEO of Law.com, Inc., and the founding CEO of Incubate.com. Whiting chose to leave Kaibab in 2001 and run for Congress in Arizona's newly created Congressional District 1. In addition to his service to the Management Society, Whiting has volunteered in his community and church as well as with various educational and professional organizations.

Whiting isn't the only member of his family loyal to BYU—his wife, Gail, and his four children have all graduated or are currently attending BYU. Whiting and his family reside in Payson, Arizona, where he works as a commercial realtor and consultant.

The Marriott School initiated the W. Lowell Benson Lifetime Service Award in 2000 to honor **W. Lowell Benson** for his lifelong contributions to the Management Society, Marriott

School, and BYU. The award recognizes outstanding leadership and long-term service to the society and the school. Past recipients are Ann Benson, Byron Anderson, and Elder **Merrill J. Bateman**.

Management Society Leaders Attend Conferences

Volunteer Leadership Conference

The Marriott School hosted the 2003 Volunteer Alumni Leadership Conference 18–20 September at BYU and Aspen Grove. Several conference sessions were held jointly with leaders from other BYU support groups including the Clark Law Society, Alumni Association, BYU—Idaho Alumni Association, Varsity Club, and Cougar Club.

Sixty-six Management Society leaders representing twenty-four chapters took part in the conference. Participants heard from a variety of

speakers who focused on topics ranging from event planning to marketing and communication strategies for increasing membership.

International Volunteer Leadership Conference Management Society leaders from China, Panama, Chile, Peru, and Mexico took part in the International Volunteer Leadership Conference 2–3 October. They were joined on campus by other international chapter leaders from the Alumni Association and Law Society—representing a total of more than seventy BYU alumni chapters throughout the world.

"We always see an increase in chapter effectiveness following the conference because the leaders learn from each others' successes," says Reid Robison, BYU Alumni Association director of alumni activities. "Participants leave energized to go back to their chapters and implement the new practices they've learned."

SCHOOL RECOGNIZES ITS 2003 HONORED ALUM



During BYU's Homecoming celebration, the Marriott School named **Gary P. Williams** as its 2003 Honored Alum. The award, presented 9 October, was one of eleven given to outstanding alumni from colleges across campus.

Williams is past president and CEO of Sterling Wentworth Corporation/SunGard Expert Solutions (NYSE: SDS)—a market leader in the design, development, and marketing of smart-technology solutions for the financial services industry throughout North America, Asia, and England.

Williams is also associate director of the Center for Entrepreneurship and a teaching professor at the Marriott School. He teaches courses in creating and managing new ventures, strategy, and e-business for both the Entrepreneurship Center and the Rollins Center for eBusiness.

"Gary is a wonderful instructor and administrator as well as a man of faith and integrity. He understands the business world and has considerable experience developing companies," says Dean **Ned C. Hill**. "He is a person we don't hesitate to hold up to our students as a shining example of what we want them to become."

A member of the Utah Angels, Williams is involved in investing in new ventures. He serves on the advisory boards of several corporations, as well as the BYU Center for Economic Self-Reliance. During his career, he has taught courses and lectured at Duke, Oregon State, and Portland State Universities as well as the University of Washington, the University of Michigan, and at a graduate program in Tallinn, Estonia. He writes a column on entrepreneurship for Utah's *Deseret News* and *The Daily Herald*.

Williams earned his BS from BYU in 1973 and his MBA from Arizona State University in 1974. He and his wife, Deborah, have four children. He enjoys the outdoors and is an avid road cyclist and mountain climber.

For excerpts from Williams' Honored Alum Lecture 9 October, see p. 16.

The purpose of the conference was to train chapter leaders how to run their individual chapters and keep connected to BYU. Both Thursday and Friday were filled with meetings and workshops to help chapter leaders successfully organize their areas and become effective resources to local alumni and friends of the university.

Many conference participants also attended a reception in the Joseph Smith Memorial Building between the Saturday morning and afternoon sessions of LDS general conference. About two hundred people attended the reception—including President and Sister Samuelson, representatives of international chapters, international students, emeriti general authorities, and foreign diplomats.

“This was our first reception, and it was very successful,” said **Rixa Oman**, Management Society executive director. “We plan to make this an annual event during the October International Conference.”

Argentina Chapter Remains Strong in Troubled Economy

Claudio Salerno has lived in Buenos Aires, Argentina, since he was born, except for the two years he spent studying at BYU. Years later, he is now president of the Management Society chapter in Buenos Aires and facing the reality of a troubled economy.

“I love my country; I love its people and our culture,” Salerno said. “Until 2001, we had always enjoyed a first-world type of life. However, mostly because of a corrupt political class, conditions here have worsened with time. These days we are recovering from the economic catastrophe that struck in early 2002, which made unemployment rates rise to around 25 percent.”

Despite the tough economy, Salerno, along with fellow alum **Alfredo Salas**, is working to strengthen the Management Society in Buenos Aires. Recent chapter activities have included

meetings with visiting Marriott School deans, professors, and students.

Salerno hopes to see the Buenos Aires chapter become a positive influence in the local community. “Hopefully we will be able to become a valuable resource in terms of networking, placement, and sending other candidates to BYU,” he says. “We’ll focus our activities this year on interacting with local universities and serving others.”

Salerno received a degree in pharmacy from the John F. Kennedy University in Buenos Aires. He later obtained an MBA from the Marriott School with an emphasis in marketing and sales. He is employed in the professional division of Kodak, where he works as market director for Argentina and Uruguay.

“These days it is hard to tell what opportunities my country may have in a shrinking economy,” Salerno says. “I believe that if the much-expected rebound finally comes, then there will be big opportunities for rebuilding the economy through private activity, and companies will again be in need of qualified people.”

THERE'S REAL MONEY IN ATMS



For some entrepreneurs, inspiration hits in an airport terminal, conference room, or classroom. For **Mike Robson**, the conversation that put him on the path to his business happened at Burger King.

While Robson was earning his MBA at BYU, he and one of his study group partners were grabbing a burger for lunch. His friend began talking about his job selling ATMs to banks that were installing them in local gas stations. However, Robson’s friend said the ATMs weren’t equipped with a place to hold a modem—the toppers that held the modems were

back ordered for several months.

“I worked for a company as an engineer, and I knew I could construct a box that would hold the modem so I offered to build them,” Robson says. “For eight months I worked full time, went to school, and made these ATM toppers.”

But Robson couldn’t sell the toppers to anyone besides his classmate. One day he went into America First Credit Union to sell them; they declined but asked Robson if he could help repair some of their worn out ATMs.

That single job expanded to what is now ATA Services, a nationwide company with sixty employees who maintain ATMs. “The toppers got me into the right segment and then into the right groups,” Robson explains. “I wasn’t planning on going into the ATM business, but I didn’t like the job I had at the time.”

Robson and his company have been recognized for their outstanding service. He has been a finalist for Entrepreneur of the Year in Utah. ATA Services was named by *Inc. 500* as one of the fastest growing privately held companies in America. For the last two years, *Inc. Intercity* placed it twelfth in the United States; *Utah 100* has also placed it in the top one hundred.

“Getting my MBA helped me broaden my outlook and opportunity,” Robson says. “When I’m faced with a problem or decision I tend to stand at a white board and ask myself what some of my professors would do. I tend to picture their faces and imagine what they would advise me to do.”

Robson earned his BS in business management from the University of Utah and his MBA from the Marriott School in 1998. He and his wife, Elaine, have five children and live in Sandy, Utah.

Chapters Organize Business Ethics Conference in Boston

Seeing the increasing decline of ethical behavior in business, a group of BYU alumni in Boston decided to help counter the slide. They hosted the 2003 Business Ethics Conference: Creating Corporate Conscience.

Members from the New England Professional Society (NEPS), a group of several Management Society Chapters in the area, and the Boston Chapter of the BYU Alumni Association jointly organized the conference, which took place 8 November on the MIT campus.

“The conference brought together prominent alumni, friends of BYU, and their colleagues to grapple with one of the most critical challenges facing our society today,” said Jeff Whatcott, president of the Boston Chapter of the NEPS. “I strongly believe that the influence of alumni has the power to effect real change in the world, and it feels great to see it in action.”

Keynote speakers included Kim Clark, dean of the Harvard Business School; **Robert Gay**, managing director of Bain Capital; and Jim Quigley, CEO of Deloitte & Touche. Industry veterans joined Marriott School Dean **Ned C. Hill** and other educators from MIT, Harvard, and Boston University in leading participants in panel and case discussions covering real-world ethical situations.



"If we could have drawn from top business leaders across the entire country, it would have been hard to provide a better set of speakers," said **Clark Gilbert**, president of the Boston Chapter of the BYU Alumni Association. "The comments, perspective, and leadership from these individuals are truly uncommon."

There were about 160 conference participants, ranging from seasoned professionals to MBA students. As with any business conference where professionals with similar interests are gathered, the conference created an excellent forum for networking, said Ripsy Bandourian, who received her master's degree in statistics from BYU and now works as a research strategist in Goldman Sachs' Global Investment Strategies Group.

However, Bandourian, like most in attendance, walked away with much more than a great networking experience. "The speakers, panelists, and case study reaffirmed my belief that there is no right formula for approaching ethical situations," she said. "The conference alerted me to reevaluate my own principles and value system so that going forward I can apply them in the workplace."

Conference sponsors were Deloitte & Touche, Bingham McCutchen, The Institute of Internal Auditors, and the Marriott School.

CLASS NOTES

1947

Graduate **Frank Maruoka** may have worked in sales and marketing for Kodak film, but since his retirement, he's focused on a different type of film. Maruoka has appeared in numerous movies and commercials, including *Patch Adams*, *Princess Diaries*, and *Sister Act*.

CALL FOR NOMINATIONS

The BYU Alumni Association is seeking nominations for the annual University Alumni Awards. Nominations are due Friday, 27 February. For details, visit alumni.byu.edu.



Maruoka retired in 1982 from Kodak, where he was a technical sales representative and film specialist. He and his wife, Alice, who also has worked as a movie extra, live in Sunnyvale, California.

1971

David L. Harris is client services manager for Shannon Executive Search. He manages an executive search firm that specializes in recruiting executives to fill positions—such as city manager, chief financial officer, or police chief—in local government agencies in the western states. He also worked as city manager in Dixon, California, for more than nineteen years and as assistant city manager in Fairfield, California, for six and a half years.

Harris earned his BS in 1969 and his MPA in 1971, both from BYU. He and his wife, Carol, have five children and reside in Dixon, California.

1972



Al Haines is one of eight city administrators hired to work in Iraq to help rebuild the country. Haines, who has thirty years of experience in local government, worked as Houston's chief administrator since 1998. He was hired to go to Iraq by the International City/County Management Association (ICMA) as part of a USAID Local Governance Project to help Iraq rebuild essential public services, including clean water, sanitation, basic health services, and education. ICMA is the professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, counties, and regional entities throughout the world.

Haines left for the Middle East in September and will be there for six months. He earned his MPA from BYU in 1972 and his BA in public policy from BYU in 1970. Haines also serves as a member of the Romney Institute Advisory Board and Marriott School National Advisory Council.

1974

Lenny T. Ralphs is a learning and development consultant for the LDS Church. He is in charge of leadership development for employees. He spent ten years at BF Goodrich and fourteen years with Franklin Covey. He also worked at

Shipleigh consulting and taught at BYU.

Ralphs earned his MOB from BYU in 1974 and his PhD from Kent State University in 1986. He and his wife, Dotty, have six children.

1976

Norman Crum is president/CEO of Valley Pacific Petroleum Services, Inc. He earned his BS in business management from BYU and his MBA from California State University. He and his wife, Diane, have four children.

1980



Roger Cook is department manager for Bechtel BWXT Idaho, LLC. He is responsible for physical security protection programs and security systems at the Idaho National Engineering and Environmental Laboratory. Previously, he worked for EG&G and Lockheed.

Cook is a member of the Shelley, Idaho, school board and is a basketball and football coach. He earned his BS in business from BYU in 1980 and his MBA from Utah State in 1985. He and his wife, Shelley, have six children and reside in Shelley, Idaho.

1981



Scott C. Florence is vice president tax/treasurer for Deseret Management Corporation (DMC), a holding company for all taxable commercial businesses of the LDS Church. Florence has worked at DMC for the past seven years. In addition to his tax and treasury responsibilities, he provides general oversight to the DMC subsidiaries assigned to him. He previously worked as tax director for FHP Healthcare and Abbey Home Healthcare. He also worked at Arthur Andersen and was a partner in a Newport Beach, California, CPA firm.

Scott earned his BS and MAcc from BYU in 1981 with a tax emphasis. He and his wife, Jill, have five children and reside in Kaysville, Utah.

Darwin J. Weech, CPA, is a partner at Auto Spa Car Wash/Papa Mac's Frozen Custard. He has also worked as an executive secretary for Gila Valley Irrigation District and developed land for Pima South Estates.

Weech earned his BS in accountancy in 1981 from BYU. He has volunteered with the

ALUMNA EXPLORES BUSINESS WORLD



Although **Amy Olsen Clark** has worked for numerous organizations—Microsoft, UVSC, United Way, Johnson & Johnson to name a few—she says her best job experience came when she worked as a program coordinator for CES youth and family programs while attending BYU.

“I helped plan and organize summer youth programs; it gave me amazing work experience that has helped my career,” she explains. “I was in charge of certain programs, and I oversaw the logistical arrangements. I hired, trained, and managed the counselors and worked with amazing people.”

Clark, an MPA graduate, is now a sales representative for the pharmaceutical company Astrazeneca. She visits long-term care facilities in Nevada, Idaho, and Utah to market the company's drugs.

Although Clark works full time for Astrazeneca, that doesn't stop her from thinking about other possible business ventures. She admits that she and her husband, Gregory, have an entrepreneurial spirit. In their spare time they're formulating a company revolving around a healthy hot drink—one she describes as a healthy coffee alternative that's not sweet like cocoa.

Clark, who served as co-chair of the BYU Management Society student chapter, says she's had amazing experiences throughout her career. “I think one of the greatest lessons I learned is to enjoy life and make the most out of everything. I got married when I was thirty-four—before that I made the most of what I did have instead of wishing for what I didn't have.”

Clark and her husband live in Park City; she has two stepsons, Ethan and Christian. For more information about their new product, email hotbrio@yahoo.com.

school board, town council, hospital board, and fire department. He and his wife, Julie, have five children and reside in Pima, Arizona.

1985



James Behunin has worked eighteen years for the state of Utah legislative auditor general. He oversees performance audits of state agencies. He recently audited the admissions process at the University of Utah Medical School. Behunin is also a city councilman in West Bountiful, Utah. Behunin earned his MBA from BYU in 1985. He and his wife, Kathy, have four children.

1986

Kurt A. Johnson is an estate-planning attorney. He is licensed as an attorney in Utah, Nevada, and Idaho and as a CPA in California. He is a trustee of the Dixie Regional Medical Center Foundation and is a member of the Rotary Club. Johnson also coaches his sons' basketball teams. He earned his BS in accountancy and his JD from BYU. He and his wife, Lisa, have five children and reside in St. George, Utah.

1988



David Jolley was recently named Ernst & Young's Salt Lake City office managing partner. In 1997, Jolley joined Ernst & Young and was promoted to partner in the Salt Lake City office in 2000. As partner, he was instrumental in growing Ernst & Young's Salt Lake City office from forty-five to 150 employees.

Jolley has spent his fourteen-year career serving companies in a variety of industries such as technology, transportation, and life sciences, with a focus on emerging growth markets. He earned his BS in accountancy from the Marriott School and his MBA from the University of Utah.

Jolley is a member of the AICPA, Utah Society of CPAs, and Texas Society of CPAs. He also serves on Ernst & Young's AABS Area Management Committee, the T2M Executive Board, the University of Utah Alumni Association, and the Utah Life Science Association. Jolley and his wife, Linda, have four children and live in Draper, Utah.

1990

Donna L. Brocco is a controller for Scenicview Center, LLC, where she oversees all accounting and financial functions for the organization. From 1988 to 1991, she worked at Wasatch Mental Health as a controller and financial services manager. She earned her MAcc from the Marriott School in 1990.

In the past five years, Brocco has been a coach and assistant coach for Orem youth soccer teams. She and her husband, James, have six children.



Kent E. Clay was recently promoted to director in Deloitte & Touche's Atlanta Multistate Tax Services practice. He has twelve years of multistate and federal income tax experience, with industry specialization in multistate retail, manufacturing, transportation, and hospitality.

Clay earned his BS and MAcc from the Marriott School in 1990 and has worked in the Atlanta office since 1991. He and his wife, Terilyn, have three boys and reside in Snellville, Georgia.

1991



Sonny Walker Morris, CPA, joined the Lynchburg office of Brown, Edwards & Company, LLP, a full-service accounting firm; he works as an accounting and auditing director. He has been with the Roanoke office of Brown, Edwards & Company since 1993. Morris has served a wide range of clients and has extensive experience with the construction industry. He is an associate member of the Virginia Road and Transportation Builders Association and the Associated General Contractors of America. Morris earned his BS in accountancy from the Marriott School in 1991.

1993

Jason D. Ludlow is an IM manager for DePuy/Johnson & Johnson. He is responsible for providing and supporting technical tools to the company's sales and marketing offices. He previously worked as an international product manager with Datastorm Technologies and as senior project manager with Gateway. He has also worked with various dot-com companies as e-commerce director.

Ludlow earned his business and international relations degrees in 1993 from BYU. He and his wife, Marikka, have four children—including a set of triplets. They reside in Leesburg, Indiana.



Matthew Semadeni has completed his doctoral studies at the Mays Business School at Texas A&M University. While at Mays, Semadeni published two book chapters and published three papers in the *Best Paper Proceedings of the Academy of Management*. He also received the college and university awards for excellence in teaching. Semadeni has accepted a position as an assistant professor of management in the Moore School of Business at the University of South Carolina. He earned his BS from the Marriott School in 1993. Semadeni and his wife, Kari, have two children.

1994



Brad Mertz is a development officer for Utah Valley State College, where he participates in fund-raising activities for the college. He has also worked as business development manager for BFI and as executive director for the Recycling Coalition of Utah.

Mertz continues to work with the Recycling Coalition of Utah Board and recently finished a term with the Utah Society for Environmental Education on their board. He earned his BS in 1992 and his MPA in 1994, both from BYU. He and his wife, Shauna, have four children.

1995

Joni Edwards van Muijen was recently promoted to senior tax manager in the International Assignment Solutions practice at PricewaterhouseCoopers LLP, the nation's largest professional services firm. Upon receiving her MAcc and BS in accountancy in 1995, Edwards van Muijen joined Coopers & Lybrand, one of PWC's predecessor firms. During her eight years with the firm, she has specialized in providing expatriate tax services to the financial services industry.

Edwards van Muijen, her husband, Aldo, and their four children live in Newtown, Connecticut.



In 1995, **Robert G. Karlinsey** began as assistant to the city manager for the City of University Place, Washington, population 30,000. In 2001, he was promoted to assistant city manager/director of administrative services. He oversees finance, human resources, information technology, facilities management, and public safety.

Karlinsey enjoys outdoor activities, especially canoeing. He earned his BA in political science in 1993 and his MPA in 1995, both from

BYU. He and his wife, Michelle, have four children and reside in Gig Harbor, Washington.

1996



Bruce Bryner is a vendor quality manager for American Express Centurion Bank, where he oversees all outsourced work. He previously worked for First Security Bank and Mountain America Credit Union. In 1996, Bryner earned his MBA from the Marriott School. He and his

GRADS FIND SUCCESS IN GIFTING MARKET



L. Scott and Addison K. Webster

The Webster brothers know that money doesn't grow on trees; however, in the last few years they've successfully expanded their family's 200-acre orchard into a profitable online business.

In 1942, **L. Scott** and **Addison K. Webster**'s grandfather started Webster Orchards in Hood River, Oregon. In 1999, the brothers took over the orchard, but added a technological twist. They turned the orchard into a gourmet fruit gifting business and launched it online as The Fruit Company. "Within an hour of getting The Fruit Company online we had our first sale, and we've had them every day since," Scott explains.

The Fruit Company offers high-quality products online—using fruit from their orchards that is usually reserved for the premier foreign markets. In its first year The Fruit Company sold about 550 gifts, and Scott estimates they will sell 25,000 gifts in 2003. Part of their success has come from their recent recognition in *Oprah Magazine* and partnerships with 1800flowers.com and Amazon.com, which also sell The Fruit Company's gifts on their web sites.

When Scott was a Marriott School student he enrolled in a course on family businesses. That class, he says—along with other entrepreneurial classes and his work experience—helped him and his brother take the reigns of their family's business.

After graduating from the Marriott School with his BS in finance in 1992, Addison took a job working for an accounting firm in Yakima, Washington. Scott, who earned his degree in accountancy in 1995, worked as director of sales and marketing for a software company in Boston. When they had a few years of real-world work experience, they took over the orchard operation—with Scott as CEO and Addison as CFO.

Jared Sidwell, a 1995 business marketing graduate, attended the Marriott School with Scott. After graduation, Sidwell worked in Boston as a director in the software industry. He kept in touch with Scott when he went back to Oregon and in May 2003 Sidwell joined The Fruit Company as director of corporate sales. "The Fruit Company has experienced phenomenal growth, and I feel honored and privileged to be involved in something that will preserve the legacy of the Webster family," he says.

Despite the difficulties the brothers experienced as they transformed their family's orchard business into a million-dollar gifting company, they are grateful for the lessons and success they have experienced. "It has been challenging, but it's been much more rewarding than challenging," Scott says. "My brother and I have become much closer working through business challenges."

For more information on The Fruit Company's products, history, or corporate gifting programs, visit www.thefruitcompany.com.

wife, Sue Ann, have four children. They reside in Sandy, Utah.



Debra Bennion Lauret is executive director for the American Fork Chamber of Commerce. She works as a liaison with the city, writes a newsletter, and oversees membership. She also works part-time as a financial specialist for the Marriott School's eBusiness Center.

Lauret was a Paralympic volunteer. She earned her BA in family science in 1989 and her MPA in 1996, both from BYU. She and her husband, James, have nine children and reside in Orem, Utah.

1997

Crista Michelle Penman is a bank accounting analyst for BMW Bank of North America. She focuses on auto financing, credit card fraud, and reconciling cash accounts. She also is the community involvement representative and is responsible for getting all employees to volunteer

at least eight hours at a nonprofit organization.

Previously, Penman worked at Atlanta's Wingate Inn, Arthur Andersen, and Citizen's Bank in New Mexico. She now lives in Bountiful, Utah.

2000

Dan Dillingham is vice president of corporate sales at Dataimage. He is responsible for managing, training, and ensuring the success of the company's sales team. With more than thirteen years of experience in sales, he is also responsible for overseeing Dataimage's marketing. He earned his MBA from the Marriott School in 2000 with an emphasis in marketing and operations management. Dillingham is president-elect for Salt Lake City's chapter of the BYU Management Society and holds several industry certifications including CDIA+ (Certified Document Imaging Architect).

2001

Charles A. Smith has been appointed chief operating officer for Young Living Essential Oils.



Smith has more than eight years experience in global operations, manufacturing, engineering, and supply chain management. Smith joined Young

Living as vice president of operations in 2001; he previously worked for Dannon and Wyeth Pharmaceuticals. He earned his MBA from the Marriott School in 2001.

Smith and his wife, **Christi**, a 2003 Marriott School graduate, have five children and reside in American Fork, Utah.

2003



Hendrik Brenkman is a consultant for Reik International, a company that focuses on Central and South American consulting. He previously

worked as a development engineer at CSIR, an African research and technology organization.

Brenkman earned his BS in mechanical engineering from the University of Pretoria, South Africa, in 1993 and his MBA from the Marriott School in 2003. He and his wife, Colleen, have four children and reside in Bluffdale, Utah.

MPA ALUM SERVES IN IRAQ



Cody Strong, a 2002 MPA graduate, has spent the last year working as a public servant—not as a city or state administrator—but as a second lieutenant with the U.S. Army in Iraq.

Strong joined the military in high school. Since January 2003, he has served the U.S. Army as part of Operation Iraqi Freedom. Strong is in Baghdad, Iraq, in support of the Iraq Survey Group (ISG), the organization looking for Iraq's weapons of mass destruction.

"I joined the military because I felt it was something I needed to do," he explains. "I stayed in the military because I have always felt like there was something significant I could contribute to our country through serving."

Strong serves as a Second Lieutenant with the 142nd Military Intelligence Battalion (Linguist) Utah Army National Guard as a mobile collection team chief. Strong has been leading groups of five to forty soldiers, sailors, marines, airmen, and civilians on missions across Iraq supporting the ISG and has been doing this since June 2003.

"I've seen Saddam's grand palaces and his luxurious accommodations. In contrast, many of his citizens live in mud huts. I've seen the torture chambers and prisons cells that housed many innocent Iraqis," Strong says. "The wars this country has been through have wreaked havoc on the male population. Few families have not been impacted."

During the war, Strong served in Northern Iraq and ran an interrogation facility for detainees and POWs taken by Special Forces teams in Northern Iraq. He says the quality of life has improved for most people since the U.S. troops arrived.

"Kids are returning to school, roads are being repaired and rebuilt, hospitals are functioning, and Iraqis are generally very appreciative of all we have done for them here," Strong explains. "I am proud to be serving here, and I know that because Saddam is no longer in power, the United States is a little bit safer."

Strong expects to return to the United States in April 2004. He plans on moving to Washington, D.C., with his wife, Heidi, and daughter, Kjersti, and finishing his Presidential Management Internship with the U.S. Department of Transportation.



Diego Flores is a consultant for Reik International, a company that focuses on Central and South American consulting. He is responsible for

international market entry strategy, networking, and business development.

Flores earned his MBA from the Marriott School in 2003. He and his wife, Faunia, have one child and reside in Provo.

Janette (Janie) Lyn Penfield works for BYU Athletics as assistant to the athletic director. She is responsible for corporate partnerships and development. She has also worked at Boise State University as assistant women's volleyball coach and as a professional volleyball player in Savonlinna, Finland. She earned her MBA from the Marriott School in 2003 and resides in Provo.

Christi Smith earned her BS with an emphasis in financial services from the Marriott School in 2003. She and her husband, **Charles**, have five children and reside in American Fork, Utah.

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Marriott School student entrepreneur David Bateman, along with two of his business partners, are featured on the cover of *Fortune Small Business* magazine's November issue after winning the publication's first nationwide business plan competition. Their company, Property Solutions International, Inc., produces software that helps apartment complex managers create web sites to attract tenants and manage their needs. Bateman and his four partners also took first place at BYU's Business Plan Competition last April. (See related story, p. 28.)