exchange

ALUMNI MAGAZINE

MARRIOTT SCHOOL

BRIGHAM YOUNG UNIVERSITY



November

- 1 Entrepreneur Lecture Series—Steve Owen, Great Harvest Bakeries
- Entrepreneur Lecture Series—David Burbidge,Burbidge Disposal
- 4 Executive Lecture Series—Mark Wattles, CEO and founder, Hollywood Entertainment
- Management Seminar—Carolyn Woo, Dean of Business Administration, University of Notre Dame
- 8 Entrepreneur Lecture Series—David Watson,Sonic America's Drive-In



November (continued)

- 9 Entrepreneur Lecture Series—Mike Gillespie, iAccess
- 11 Executive Lecture Series—Don Holman, vice president of operations, Walgreen's
- 15 Entrepreneur Lecture Series—Shelli Gardner,Stampin' Up
- 16 Entrepreneur Lecture Series—Josh James, MyComputer.com
- 17 EMBA Information
- 18 Executive Lecture Series—Ellis Ivory, general partner, Ivory Homes

December

- 3 MBA Integrative Exercises
- 3 Management Seminar—TBA
- 6 Entrepreneur Lecture Series—Ginger Woolley,
 Adventure Time
- 6-16 Little Angels' Christmas—Management Society
- 9 Last Day Fall Classes
- 17 Graduation, No Exercises

November (continued)

- 19 Management Seminar—Betty Maple, tax partner, Deloitte & Touche
- 19 Y Weekend
- 22 Entrepreneur Lecture Series—Mike Nicholes, MNI
- 23 Entrepreneur Lecture Series—Steve Nelson,
 - Unishippers
- 29 Entrepreneur Lecture Series—Ken Theiss,
 - The Flagship Group
- 30 Entrepreneur Lecture Series—Bela Hatvany,
 - Silver Platter



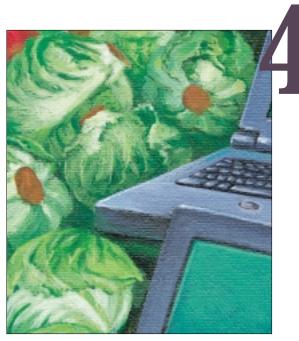


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Cover Illustration by Kenneth McMillan

NEWS

2 Dean Ned C. Hill

14

- 24 School
- 30 Faculty
- 35 Alumni

contents

FEATURES

Leadership in Business Technology

"Dell has an inventory program that allows us to turn our inventories up to sixty times a year. Our inventories are very, very, very fresh."

-by Kevin B. Rollins

Student Samaritans—Synergy in the Global Neighborhood

"Marriot School students applied the maxim 'enter to learn—go forth to serve' to milestone firsts in their lives this year. With little more than an idea, and armed with their education and management training, students traveled to remote destinations intent on making a difference in the lives of their global neighbors."

—by J. Lee Simons







Dean Ned C. Hill

International Service and Learning: Everyone Wins

In our continuing effort to internationalize the Marriott School's programs and firmly establish us as a major force in global management, a new initiative may bring our objectives closer to fruition and lead BYU to a completely new role in education. This may be a unique opportunity for our students that could not be duplicated by any other university and that will serve the youth of the entire Church—international service and learning.

Consider the need. President Bateman often talks of the nearly two hundred thousand youth in the Church reaching eighteen each year. Unfortunately, only about ten thousand can ever hope to attend a Church school (BYU, BYU–Hawaii, Ricks College, or LDS Business College). What of the other 95 percent? Is there a way to utilize the resources of BYU and the other schools to help these young people with their educational needs?

In many countries outside North America, only about 50 percent of our returning missionaries have completed high school. Lacking educational opportunities, they are often consigned to day-labor jobs that require long hours and offer little compensation. They can hardly find time for family development and Church service. Our research shows that training in English, computer skills, and management concepts would help significantly in finding more rewarding employment.

In the summer of 1998, BYU and the Church Educational System began two pilot programs: one in Monterrey, Mexico, and the other in Sao Paulo, Brazil (see story p. 25). Both offer courses through the Institute of Religion program in English as a foreign language, basic computer skills (word processing, spreadsheets, and presentation graphics), and leadership skills. Computer technology is used as a teaching mechanism for the first two courses. Both local members and BYU students (including some Marriott School students) served as instructors this summer. Over the first year, interest in the programs more than tripled. Many students reportedly found better jobs as a result of their participation. The waiting list to get into the courses is very long, even though the computers are being used from 6 a.m. to 11 p.m. It is still too early to determine long-term impact of this preparation, but all indications are positive.

In a separate project, a university in Buenos Aires—UNLM—asked the Marriott School to help develop an American-style MBA program. The university president, a member of the Church, agreed that in return he would assist local returning missionaries to qualify for admission into the university. Jason Newitt, a Marriott School MBA student, interviewed business leaders, faculty, and students about the need for such a program. Having served his mission in Buenos Aires, he was able to function very well gathering data for three faculty members who volunteered to help out. These professors are assisting UNLM to build one of the very first executive MBA programs in Argentina. The reciprocal blessings to local people may be considerable.

Is there a way to take these two experiences and broaden them to the entire student body of the Marriott School? Can we involve a larger number (even all) of our undergraduates and graduates in these kinds of service experiences? Does any other university have the infrastructure we have through the Church that would permit such a global venue for meaningful service? Would such service significantly enhance the learning experience of our students? Certainly the need is large. If we are skillful, perhaps we can find ways to organize our considerable resources at BYU—energetic, bright, and internationally experienced students; capable faculty; outstanding and relevant course materials; financial resources of our friends and sponsors; and enabling technology—all to bring substantial blessings to the other 95 percent of the young people of the Church.

Consider the opportunities for students. About 80 percent speak a second language because of their missionary experience—yet their language skills do not generally extend to the business world. An international service and learning experience would round out their language skills. This would be especially true if two additional components were included. Students could work part-time as interns in a local company or organization. They could also take a class or two, say, in business Spanish and/or NAFTA at a local college or through the Internet. And they could spend part of their week in service: as instructors in the local Institute of Religion or as workers on another useful project such as the one at UNLM.

This combination of service and learning would give our students a unique set of skills that would be invaluable in today's organizations. They would experience an international work environment with its attendant challenges. They would use technology and distance learning techniques. Most important, they would provide real service to those so much in need of educational opportunities—giving tangible meaning to the BYU motto: Enter to learn, go forth to serve—service that is not simply a once-a-year cleaning project. It may also blunt the elitist image BYU has and help all to understand that attendance at BYU and the Marriott School is not only a privilege, but it carries with it an obligation to be of service to those who cannot even hope to come here.

Opportunities for such service exist here as well as abroad. Some student projects might be directed to the needs of young people in Detroit, New York City, Chicago, Houston, and other places, but much remains to be worked out. We are only in the concept stages. The reality will likely differ somewhat from the picture I have presented. The logistics and the expense of sending up to one thousand Marriott School students per year to all corners of the earth is enough to keep deans awake much of the night!

The challenge of finding ways to uniquely position our wonderful students and, at the same time, to bless the lives of young people throughout the Church is exhilarating. While we cannot see far into the future, we sense that something important is in the works, and we want to energetically do our part. We will begin taking small steps this year as we work through the details and coordinate our efforts with other entities of the Church. A number of people have already helped substantially to create the vision I speak of, including Lee Perry and Steve Albrecht, associate deans; Rodney Hawes and Elder Donald Staheli, from our National Advisory Council; and Mike Jensen and Jason Newitt, MBA graduates. We invite all of you to join us in this challenging quest by sharing with us your ideas, your time, and your resources.

PC components behave just like vegetables. As you look at the value of lettuce, the longer you have it away from the store or away from the field, you notice that it starts to decrease in value, and PC components are similar.

EADERSHIE N BUSINESS TECHNOLOGY

by Kevin B. Rollins, vice chairman, Dell Computer Corporation | illustration by Kenneth McMillan

concluded I could come up with ten rules of failure relating to the largest failure that I know about—and it had nothing to do with me directly—but it was a very large failure. The topic is "What killed the Soviet Union?"

Why mess around? Let's go with a big failure and see if we can figure out what happened.



en Reasons for Failure in the Former Soviet Union

Number one: They weren't a value-added reseller, which is critical in our business at Dell.

Everything they did had to go through the Communist party, and they didn't add much value as it passed through that value chain.

They weren't able to work with their customers directly.

It was essentially a bad program.

Number two: They had very poor human resource strategy. There was no such thing as the "Communist Party HR Training Program" for their young executives. They were not a learning organization. If on one hand you have the gulag you can go to, and on the other hand you might have stock options, most people are going to go for those stock options every time.

Number three: They had a failure to use—and misused—their R&D dollars. In technology, research and development dollars are precious, and they're also leveraged. This is something I learned listening to Jesse Jackson when he was running for president. Jesse Jackson used to say, "How many of you own a VCR? How many of you own a thermonuclear device?" When all you've got is thermonuclear devices and you don't have any VCRs, you have really misallocated your R&D dollars. That was going to be a problem for them.

Number four: They had a poor choice of suppliers. They didn't have good supplier relationships. You can buy computer chips from Andy Grove at Intel, or you can buy Hungarian chips. You can either buy Albanian software, or you can buy software from Novell or Microsoft. They made some bad choices as they were developing those technologies.

Number five: They had bad CCC performance. At Dell, CCC means "Cash Conversion Cycle." This relates to the efficiency of turning your cash from the time a customer buys to the time you pay your suppliers and turn that cycle around. In Russia, this stands for "Communist Conversion Cycle," and they were very slow in their payout rate—in fact, by the time they were done, they were so slow that there was virtually no payout rate.



Number six: They had a very internal focus for the Communist party, or then failed to have any focus at all. This is a classic problem when all you think about is inside the Kremlin—some business magazines have this problem. If you look at their

covers, they always have a white male facing right, if you think about it, that's a little strange, and that's what they had in the Kremlin. All these white males were facing right and they were only worried about what was going on inside the Kremlin. Michael Dell said in his book, *Direct from Dell*, that being on the cover of *Fortune* doesn't guarantee you anything. When asked the fundamental question of Business 101, "What business are you in?" the USSR really didn't have an answer.

Number seven: They had leadership issues. How many CEOs did they have who died on the job? They were too old, they got out of touch, they didn't know what their customers wanted, and they didn't manage by walking around.

Number eight: They had a five-year plan. We're talking in this day and age about web sites, about quick response, short cycle times—and five years in most industries now is an eon. These people were running a country where being in the country business meant they had five-year plans they were reporting to and dealing with, which means they were very, very slow to respond.

Number nine: They had bad execution, and in some cases there was very good execution, but there weren't too many of those, and in some cases they weren't the right executions, and I'd have to say that the Soviet Union actually died from bad execution, as well.

And finally, number ten: This really sums it all up in terms of what happened with the Soviet Union—they had a business model failure. Their environment changed, and their business model was not flexible. It really was not adaptable to the changes that were going on in the world, and as they were locked into that business model they simply couldn't make it work.

We all know why the Soviet Union failed. There is really one good piece of news in all of this, and that is that even after this gross failure, there's often an aftermarket for failed countries. I have a chip in my office that is a chip off of the Berlin Wall; a friend of mine gathered that for me and brought it back. There is a business opportunity to take failure and put it in a little piece of plastic, and then sell it, so that in the end you've failed in your country, but you can sell off the walls and still make a little bit of money—maybe.

In the biggest failures, it occurred to me that failure is only obvious in retrospect. It becomes the kind of thing that business analysts and journalists can easily explain because they always do it after the fact. You can look back on a company or group of individuals, or on a team, or on their leader, and say "Well, I know why he/she failed . . ." they grew too fast, or they grew too slow, or they were too provincial, or they went too global too fast, they were too much imbedded with technology, or they were doing technology for technology's sake, or they were technology laggards, or they moved too slowly, they were too arrogant, or they held themselves up too high, or they were too humble, they didn't market their product and do enough

promotion, people didn't hear about them, or they didn't stick to their knitting, they wandered off and did things that really weren't their core competence, or they stuck too close to their knitting, and as a result they missed great opportunities.

It is always easy in hindsight to figure out the lack of wisdom in any particular move that executives or leaders make. The reality is that all of these things, for companies, for institutions, for organizations, are, in fact, true. You can name a lot of them that have committed these various management sins, although you can usually name them after the fact, and not before. A list of companies or leaders, a list of why they fell, is not very productive in the end, unless you're looking at it in retrospect.

These attributes are really the DNA that must be embedded into new companies and organizations if they're going to be able to deal with this new business environment.

Leadership in business, particularly in the technology sector, is very hard to come by. It is even harder to sustain. Not many companies can sustain a leadership position for very long, and not many leaders are able to lead a company for very long without seriously stumbling at some point. In most cases, these stumbles lead to their displacement. At Dell, our chairman is thirty-four years old; he's the longest-standing CEO in the computer industry. All the others are gone, and two of our major competitors are currently lacking CEOs altogether. Being in the leadership business is a very tough game.

Being a leader is tough, but maintaining the financial performance of a company as you embark upon that entrepreneurial business pursuit is even tougher. Only ten companies in the period measured have been able to sustain shareholder returns above the 75th percentile over that six-year period. I think of large companies that have been large for a long time, and I think their performance has been amazing, but over that time there are very, very few that can sustain superior performance and leadership.

At Dell we are trying to figure out how we can be the best, and figure out how we can sustain our leadership performance in defiance of these statistics. That would suggest companies just don't do it for a very long period of time. I would like to share with you some of the things we're doing.

We believe that fundamental to a strong leadership position in business is your leadership position as a low-cost producer, and the industry leader in our business is Compaq Computer; we look at them as a comparison to benchmark how our company is doing. We have been able to widen the disparity between our cost position and theirs, and scale our operating expenses, which are those costs we have that go into trying to sell and market our computers at a fairly great rate, when in fact our competitors have not only been lagging, but have been going in the other direction. This cost focus has made us the leader on price and performance.

Also fundamental to a low cost-position is the ability to turn your inventories quickly. Many of you may have purchased a personal computer over the last two or three months or last year, and you find three months after you buy it you can get the same computer for about 10 to 15 percent less. This is because PC components behave just like vegetables. As you look at the value of lettuce, the longer you have it away from the store or away from the field, you notice that it starts to decrease in value, and PC components are similar. They go down in value. In fact, because of that statistic, Dell has an inventory program that allows us to turn our inventories up to sixty times a year. Our inventories are very, very, very fresh. They come in the door, they're there for a few hours, and they go out the door. We extract value at the "point of freshness." Some of our competitors have a very long chain, and their ability to turn that inventory ends up being weeks and months, and in some cases, two to three months. You can imagine how much value you could get out of a head of lettuce if you held it for three months before you sold it. The same thing is true with the computer industry. Our ability to maintain a leadership position on inventory turns is not just an interesting metric, it's part of how we do business, and it's a phenomenon that we think is critical to leadership.

Cost-position at some point has to translate into growth if you're a low-cost producer. We have seen this within our own company. Over the last several years our growth rate, compared to the industry, is two to three times that of our nearest competition, and it really is a critical factor in allowing us to continue to run our business model the way we do. It allows us to scale those fixed costs—you build a plant, you fill it up, and you run it at maximum efficiency. It allows us to attract talent, which is also a very critical factor if you're going to be a leader in an industry.

These performance measurements have allowed Dell to distill our focus to one financial metric that we use for our people, and it's called "Return on Invested Capital" (RIC). Think about return on invested capital as a return-on-assets phenom. You are given some assets—cash and resources. What do you do with those resources? This is a measure of what you do with those resources in payback to your shareholders. This is a particularly powerful metric for us, because our RIC has a numerator and denominator. The numerator is how much money you make; the denominator is how much asset you have to develop and to generate profit. It teaches our employees with one metric that we want to be very profitable, and with the same point, we want to utilize our assets very, very efficiently.

Our incentive program for our management is based primarily on this one statistic, because it's so robust it speaks to the goals that we have as a team and focuses our management team on what we're about and what we want to do as leaders in the industry. We subsequently have a cost of capital over the cost to borrow and use money of about 16 percent, and therefore our RICs are about 190 percent. That represents a very good return to shareholders, and for those who are shareholders of Dell, and have been over the last number of years, you have seen a very nice rise in appreciation of the stock. It is driven by this fundamental in terms of how our business is doing.

We also measure leadership at Dell in untraditional ways. Traditional companies will look at how many units you sold and how much of the market you therefore hold. They will also look at how much revenue you hold. And on those two metrics we're not doing too bad, we're number two in the world, but there's a company that's number one. What most fail to realize is, what is the point? We have a 10 percent share of worldwide units in the PC marketplace. We have a 12 percent share of revenues in the PC marketplace, but we have a 55 percent share of profits within the PC marketplace. Focusing our management team, we tell them that we have a goal to be the most profitable computer company in the industry, not the one that sells the most computers and may at some point in time go out of business. In the example of Russia, they might have been a big country, but their focus on units and shares lost this profit notion, and the company collapsed. Our model is a healthy focus for a management team and has led some to leadership.

I want to show you what we call the magic triangle. Some time ago, we had a very serious problem with our own leadership and direction, and we had a liquidity problem. We had a situation where we could barely meet payroll. We had to establish a hierarchy of priorities for our management team. The priorities we used were first, liquidity; second, profitability; and third, growth. The notion here is that as a leader, you have to establish priorities, because people generally can't do that very well themselves if you're the leader and they don't know what you're thinking, so establishing priorities is really critical.

With liquidity, we have been able to turn our company around from literally a position where we could almost not meet payroll, to, in our first quarter this year, generate \$1.1 billion in cash in operations in that quarter, which is a new record for our company. We have done that at the same time we have achieved earnings per share growth at 45 percent, on a profitability standpoint faster than our revenue growth, and have been able to grow at two and a half times the market rate. We have been able to balance the priorities we set, our teams know very clearly what comes first, and the health of our business is based, fundamentally, on liquidity. We use these statistics to help our teams do better.

With the top ten reasons for failure for the Soviet Union and some examples of financial leadership metrics from Dell, let me switch gears to some leadership themes that you might consider in running your businesses, running your organizations and institutions, in managing in what I am going to call the new business world—a world of dramatic, rapid, and constant

change. As I see it, the competitive landscape is currently in flux. Throughout our world in general, but particularly in the business world, those characteristics that might have governed business behavior in the past are changing. Some of them are collapsing, but many of them are changing into a new paradigm. These attributes are really the DNA that must be embedded into new companies and organizations if they're going to be able to deal with this new business environment. This new technology-based, talent-based, highly competitive, totally changing world is one that we are all defining, creating, and trying to win at.

Let me offer you a set of principles that may stimulate you. They may not necessarily give you all the answers that you are needing, but hopefully it will get a dialogue going in your companies and your organizations to give you a direction so that you can think a bit more deeply about your own habits and your own practices in those organizations. These new practices, however, are going to have to be embedded in what you do, not layered on, if your companies, for those of you in corporate life, continue to set the pace in this new world.

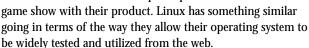
LEADERSHIP IN IDEAS

The first one I would discuss and leave for your consideration and proposition, is really one that's very near and dear to the hearts of our university professors at BYU, and it is that leaders must lead on ideas. We're living in a time when it's almost impossible to overestimate the value of something as intangible as a good idea. And today when we look at companies that we admire they are companies that almost invariably don't try to outmuscle the competition. They try to outthink the competition. They don't necessarily try to use their market size, they use their market smarts, and that translates quite often into better information. And they don't necessarily estimate how good they are because of what they do now, but they are constantly looking for ways to out-innovate the competition to be better in the future.

A classic example of a company that you could say might have been a failure when it started out (but wasn't) is Netscape. Early on, Netscape thought the unthinkable; Marc Andreessen was quoted as saying the core proposition of Netscape was "Worse is better." That was his core concept. Now this was something that most software companies really don't want to be known for—being worse. Their strategy was a fairly simple one.



They were going to put Netscape on the web when it was only 80 percent debugged. They were going to put their first navigator out there and let other people download it for free, and debug it with them, and get those bugs back to Netscape—to partner with their audience in an audience-participation



Clayton M. Christensen, a member of the Church teaching at Harvard Business School, wrote a book called *The Innovator's Dilemma*. I highly recommend it for those interested in technology and in new business concepts. He highlights this notion of offering the 80 percent solution when looking at technologically disruptive products, and he cites industry after industry where established companies, due to their own risk aversion, protecting their own turf, lack the ability to see new partial solutions that had not quite arrived, and partial solutions entrants that were coming into the industries. Therefore, they lost their way and were completely overtaken by those new entrants that appeared to only have a partial solution—whether it was a quality solution, whether it was a new product solution, a new service, they didn't appear to be a threat.

Netscape had a brilliant idea. It was brilliant because speed, in this industry, was essential. They were trying to kill a product they had called Mosaic, and they had to get out very fast in order to do that. Not only that, but they had to do it very cheaply, and they didn't want to spend more money getting it 100 percent debugged, and they thought they could do it cheaply by getting other people to help play the game with them. They got people to participate with them, and, for at least the first part of the time before Microsoft came after them, Netscape had a group of people who said, "I am now part of this team. I am not just a customer. I am part of this organization. I am one of the folks who found one of those bugs that made this product better, and so now I have loyalty to this product. I have participated in management." And that helped them make their product, initially, a great success.

Now the downside of the Netscape story is that you can look back and say in retrospect, "They missed a great opportunity. They're one of those companies that stuck a little too close to their knitting. If they'd thought outside the box continuously,



they could've been Yahoo, or Excite, or they could've seen that they were the first gigantic portal waiting to happen." But hindsight, as I've already talked about, is 20/20; it's perfect. It does teach you an important lesson, and that is innovation in our businesses and our organizations is not a one-time deal. It's not

a big-bang sport. It's something that has to happen constantly and repeatedly to create an organization that can sustain itself and live on. So the obvious follow-up question is where do good ideas come from in our organizations? Where do we get them? Unfortunately, it's not from the good idea department in most corporations. And unfortunately, they generally don't come from the senior management team, with big titles, big offices, and feelings of importance. Good ideas come from three places in organizations.

1. Customers

The first is from customers. Most companies treat their customers as something to be listened to and then gotten away from as quickly as possible, because for many companies that's a painful experience. Our customers at Dell are the boss. Even for Michael Dell, who enjoys being with customers more than any CEO I've ever met, customers are the key. They are the boss. They control what we do and when we do it. We've found that out by making our executives and salespeople all salespeople. If we do that, and force them to meet with customers regularly, and bring in the feedback on a regular basis that they get from meeting with customers, we can give them incentives, and put in their paycheck the requirement that they do that—we end up with a wonderful source of new ideas.

This may not be a management concept that is too far afield for many of you in your organizations in terms of meeting with your frontline people—or meeting with the members of your ward or members of your stake—but it's critical to understand that to be successful and get fresh ideas and know what's going on you need to be out on the front lines.

2. New Hires

Good ideas come from your most recent hires. Those people newest into the organization. Those are the people who are lowest on the totem pole frequently, who don't know why something has to be done the way it's done, and who can ask the question, "Why do we do this that way? What's the point?" And they're thinking that way because they haven't been told for the hundredth time, "Shut up, that's the way we do it here." They don't know that yet. They learn that, and after awhile they will fall into line and go native. But they don't know that when they first come in. So they're able to let you know what doesn't make sense, and if you listen to these naive new hires, they can really get very, very good ideas into your organization.

At Dell we have what we call an open door policy—that's not particularly revolutionary, but we use it. We also have an open e-mail policy, such that it is deemed appropriate to communicate whatever and whenever you want to the office of the CEO, to Michael, to Mark Tofer, and myself, and to tell us whatever you think is going on in the company without any form of retribution. No one screens the e-mails, we see them all, and we respond, and we've found that people don't abuse this right. People are thoughtful in what they say as they find opportunities. But through doing this, we learn about our business, and we develop trust and confidence in our people.

3. Periphery

The last source of good ideas comes from as far away from headquarters as is possible. That might come as a shock to those of you who are leaders of your organizations. It comes from the periphery. It comes from people not accustomed to the norm. They're out on the periphery, and nobody tells them what they can't do and what they can't try, and so they do stuff. About the only part of Levi Strauss that's been successful over the past few years has been their Dockers division. Dockers came from South America. It came from as far away from San Francisco as you can get, and they imported it to the United States. It probably never would have seen the light if it had been invented in San Francisco, and it saved Levi's bacon.

On our periphery, we are seeing new products, new opportunities. One we've seen recently is new, what we'll call small form factor PCs. PCs shrinking. These PCs are great little PCs with wonderful power, great functionality, but come in very small packages, with very small flat-panel displays, so they take up less space, and they're easier on your eyes. You know where they're coming from? Where we saw them? Not in Texas. Not in the United States. We saw these products first in Japan and in Asia. Watching for trends in markets on the edge can tell you what to think about, but only if you have listening ears that are on the frontier, and if you don't, you won't hear about it.

LEADERSHIP IN TALENT

This is something that leaders do, and something that we create here at BYU. Leaders go for talent. Leaders compete, and lead, and attract talent to their companies. We're living in a world where the game has changed fundamentally on talent. I heard a story from a good fellow who came from Lotus, started a new company, and went to recruit talent at Carnegie-Mellon University, and sat down opposite a bright young engineer and

said, "Young man, I know you're about to graduate here from Carnegie-Mellon. We've got a very hot web startup, and we'd like to have you come work for us. First, there's some questions that we really need to answer about your ambitions, about your capabilities, and about your background." That sounds rational.

This bright young fellow looked back at my friend and said, "Before you ask me your questions, there are a few questions I'd like to ask you. First of all, I know you've had one round of successful venture capital financing, and I'm wondering where the next round is coming from, and how it's looking. Secondly, if I do work for your company, I've looked at your web site, and there's really only one manager I'd like to work for, and I want to be on that person's team, and I'd like you to guarantee me that's the person I'd be working for, or I'm not coming. Third, I'm really not that interested in a high salary, and I'm willing to forego the top dollar, but there's something you do need to know, and that is I'm an avid rock climber, and so I'm willing to work 14 to 16 hours a day for nine months. There are three months out of the year that I really need to go and climb rocks. And by the way, before you walk out and are offended, you need to know that I've got three job offers in my back pocket from your competition. Can you then answer my questions?"

At this point, my friend realized the game had really changed, and that you can no longer go out into the field and say, "I've got a great company, and you're lucky to work for me." This is not just happening at the fresh-out level, or students out of the universities, but it's also happening at middle and senior management levels as well.

I've got to tell you, I'm worried, and my executive colleagues at Dell are also worried. We're worried about a talent shortage in our industry. We're worried about a talent shortage in the United States. The technology industries that I've been talking about have grown so rapidly that the young, talented people who usually spend several years in training and in apprenticeship positions, are being put into jobs very early, and the best ones appear to be doing just fine. And so more follow and go into these leadership positions at a very early stage. Most of our senior management at Dell have come from outside the computer industry because of this. The requirements are now more "What potential do you have?" "How good are you?" than they are "Where have you worked?" So we are now hiring for



talent—core talent—and then training for skills.

In this industry, the company with the greatest talent share, and quite often this translates into brain share, is really the one that's going to win. And they will win because talented people think faster, more creatively, and more innovatively than people with less talent. And frankly, talented people are more fun to work with, and they get greater performance out of their

nnovation in our businesses and our organizations is not a one-time deal. It's not a big-bang sport. It's something that has to happen constantly and repeatedly to create an organization that can sustain itself and live on.

teams. You have to attract these people with better opportunities, better money, better training, in order to compete. And leaders do win in the competition battle for talent, or else they will get replaced as leaders.

LEADERSHIP IN MANAGEMENT

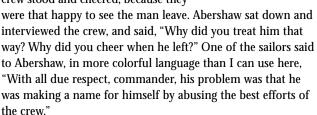
Leadership in management, or exactly, leadership in leadership, is one that often gets spoken about and described as empowerment, pushing decisions down, but it's basically holding to a management philosophy that the leadership of a company must be owned by every single employee. Leadership cannot be the sole responsibility of the CEO or of the ultimate leader. It's

not the people at the top telling all of the people at the bottom what they should be doing. It's not all about the traditional vision of someone saying, "I'm the light source, I've got the sword, follow me, I'm out there, I've got all the answers." In fact, our version of leadership is the notion that companies today, to be successful, have got to be companies of leaders, where everybody at every level of the organization is prepared to step up and play a leadership role when called upon.

I read an interview about a fellow who I think is a good example, and probably as good an example of a leader as we're going to find, in a company that is called upon to do important work every day—Mike Abershaw. The company is the U.S. Navy. Mike Abershaw was, until recently, the commander of a ship headquartered out of San Diego, that, when he took it

There isn't a great company in the world that hasn't hit a speed bump, that hasn't failed at one time or another.

over, was a very unhappy ship. Mike tells the story about the day he became commander of the ship, and his predecessor was piped off that boat in a ceremony where Mike became the commander. When his predecessor left the boat, the crew stood and cheered, because they



Abershaw, when he took over the boat, decided that he would do everything within his power to make sure that when he left the crew was not going to stand and cheer. So the first thing he did was take each crew member into his quarters individually and asked them three questions. "What do you like about this ship? What do you hate about this ship? What do you think we should change?" In doing that, he was doing something at two levels that was unheard of. First, most sailors don't ever get to go into the commander's quarters and see where the commander of the ship lives, and number two, he was actually asking them for their opinion, and their advice, and their help in running the ship.

He heard amazing things. For example, that the thing sailors hated more than anything else, and the thing that sailors have been doing since time immemorial, was to go up on the deck and scrape the rust off the metal on the ship and repaint it. That has been going on for hundreds and hundreds of years, and sailors hate it. Abershaw began to ask himself, if everybody hates it, why do we do it? Well, the answer is, number one, because the metal rusts, that's kind of hard to stop; and number two, and nobody said this but it was sort of the truth, we don't trust our sailors very much. If they've got time on their hands, they'll probably get into trouble, and if we keep them busy scraping the metal and painting by the time we get from one end to the other it'll be time to start over again. So we can do that twice in a year and can keep them fairly busy.



Mike Abershaw didn't think that was a great idea, so he embarked on a program to take every piece of metal on the deck that he could that might rust and trade it out for metal that wouldn't rust, and coat it with a substance that would make sure it wouldn't rust—everything he could—so they could

save the time. And then he said to his crew, "Now you've got time on your hands, and we're going to learn how to be the best ship in the navy." And he trained them. And he got them up to speed in their gunnery efficiency and in the operation of the boat.

His boat won the Spokane award, started by Teddy Roosevelt when he was secretary of the Navy, as the best ship in the Pacific fleet. When the fleet headed over to the Middle East, Mike Abershaw's ship was in front of the entire fleet. He did it in a way that saved taxpayers millions of dollars and won the admiration of his crew, so that when his crew's time to reenlist came up, every member of his crew reenlisted. The U.S. Navy was running at something like a 40 percent reenlistment rate, and Mike Abershaw lost no people on his crew. When he left, the crew cried. He's a spectacular example of what it means to be a grassroots leader. The quote that Mike led the interview with was, "The real job of a leader is to look at the ship through the eyes of the crew." So the question I'm thinking of, and going to forward on to you to think about is, "Are we creating grassroots leadership in our companies and organizations, and are we looking at our organizations through the eyes of our crew?"

LEADERSHIP IN VALUES

This is not only important for the new world, but for the old world as well, and it's timeless, and it is sorely needed in our world today. Values? Yes, values, because ultimately the question today is not what do you make? It's what do you stand for? It's not what you do, but when you really come to a crunch time, it's how do you stand up?

Michael Dell said, "There is no question that every company is going to hit the rocks." This might be true of every organization, but it's clearly true of every company. There isn't a great

company in the world that hasn't hit a speed bump, that hasn't failed at one time or another. I would liken it to a phenomenon that we see inside Dell within our technical support department in our organization. And this is the organization that, if you have a problem with our computers you call and they have to deal with that problem. We have learned that it's not important that we might occasionally fail to meet a customer's expectation, or that one of our systems might fail out in the field. Some will, and we know that. However, what is important is how we respond to failure. We have also learned that there is greater loyalty won with a customer who has had a problem with one of our products, and is then treated fairly and responsibly, than there is with customers who have never had a problem with our systems. It's all a matter of trust, and the customer has had an experience that strongly suggests to them what we stand for, i.e., the promise of treating them right—they become the strongest and most loyal customers that we have.

In 1993, I went to work at Dell as a consultant, and Michael and his team had just come off of a \$100-million loss in their quarter, which was devastating. At that point, the company had about \$2 billion in revenue. They'd hit that mark by growing 100 percent from the previous year, so they'd gone from one billion to two billion, and they basically imploded—not being prepared for that kind of growth, and they just caved in. Michael knew, unlike many of the young start-up wizards, that he couldn't fix this thing alone, but with the right help and the right colleagues he could still make Dell great, because he believed in what he and the company stood for. He also knew that there were lots of customers out there who were counting on Dell to be around and had placed their trust in him and his company.

Step-by-step, we started to piece the business back together, holding true to our values of customer service, direct communications with employees and customers, and a dedication to the principles of the direct model—our core of accountability and responsibility. We returned the company to its core, and we built it back to profitability, reaching sales this year that analysts suggest will be in the \$26 billion range. We parted company, through that process, with some people—people who didn't believe in the vision and didn't believe in those values. At Dell, when it comes to ethics, there is no three-strikes program. People will make some mistakes, but we've learned that for some very critical behaviors for our leaders, there can be no tolerance for inappropriate action. Values are important.

LEADERSHIP IN SPEED

In our industry there are only two types of companies—the quick and the dead. Companies come into being and go out of being in years if they're not attuned to the rapidly changing competitive environment. Share shifts occur very quickly in product life cycles. Time from introduction to the death of a product happens in months, versus years, and failure to keep

pace is devastating for our company and our competitors. There is a rapidly building bone pile of companies in our industry that misunderstood the value of quick decision making and rapid deployment.

Gordon Moore is one of the founders of Intel, and Moore's law states that every two years the computational power of the CPU (or your computer) is going to double. We think this is going to be true through the year 2015 at least, and that this doubling of power is a geometric progression. It means it is accelerating. It's getting faster.

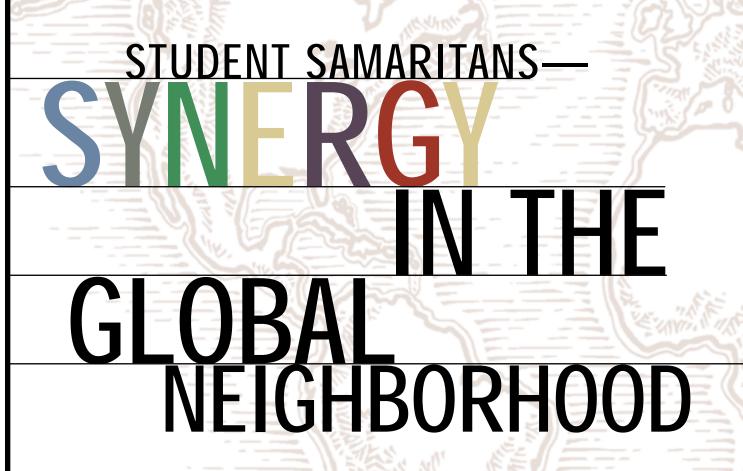
The power and the speed of computers in the future will see PCs recognize and interact with the user using natural language. We'll do real-time translations into any language, from voice or text. We'll be able to craft new applications, and these are computer programs like word processing, spreadsheets, and others, merely from spoken requirements, and we'll be able to locate from anywhere in the world and distill required information from a voice request in seconds. They will be able to recognize and identify faces from video, and will be able to download the Book of Mormon, translate it into any or all of eighty languages, and transmit it to 2,000 independent locations in less than ten seconds. Increasingly, career success will become ever more dependent on the ability to increase personal bandwidth. You will be called upon to learn at faster rates, to form more relationships, to take in more information more rapidly, to sort and process it more quickly, and make better and faster decisions. The managers of tomorrow are connected today to information through the Internet and have at their fingertips the world.

My caution to students, and to you as leaders, particularly to our youngest leaders, is that in the world of accelerated actions and decisions, you must not push too hard or you will lose sight of what's really important. You must not be so successful at attaining the respect of mankind that you lose sight of what is really important in the world. Be very good at your jobs, and excel, but don't be so good—don't devote so much time to it—that you lose your ability to be good at life. How do you do that? How do you balance things as leaders in the world? It's a challenge, it's been a perennial challenge.

I have just two simple suggestions. You probably have more, but my first one would have us refer back to the scriptures. In Ecclesiastes, there's a scripture that talks about a time and a season. So the first thing to do in being able to balance and maintain is to recognize that there's a time and a season for activities in our lives, and if we do that, it helps us to reorient priorities in those times in our lives, so that we don't try to do everything perfectly all the time.

Point two is in Doctrine and Covenants 11:13. A scripture that talks about the ability for us to have our minds enlightened with help and augmentation of the spirit. That is also something we can call upon to help us make decisions, to take action faster, if we rely upon that augmentation of the spirit in our lives.

There you have it: the ten rules of failure for Russia, and five elements of leadership in this new business world, and it's my hope that these elements will be helpful for you.



by J. Lee Simons, Exchange editor | illustrations by Heather McClellan

Marriott School students applied the maxim "enter to learn—go forth to serve" to milestone firsts in their lives this year. With little more than an idea, and armed with their education and management training, students traveled to remote destinations intent on making a difference in the lives of their global neighbors. Their activities ranged from fact-finding in Nigeria and Bulgaria, to connecting Guatemalan artisans with E-commerce, and literally working in the trenches of Honduras. The common thread binding these diverse activities is the rapidly expanding world of microentrepreneurship—a movement designed to assist people in removing themselves from the grasp of poverty.

—ew people understand the disparity

■ew people understand the disparity between economic principles and market realities in Bangladesh better than Muhammad Yunus, economics professor at Chittagong University. In the 1970s, his inquiries into local market business tactics introduced him to a woman making bamboo stools.Her twopennies-a-day business was dependent on loans from a middleman who was both her supplier and buyer—charging what he pleased. Yunus' search led him to an additional forty-one people similarly constrained. That first group of microentrepreneurs needed a total of \$27 to buy their supplies directbypassing the middlemen's fees.

Yunus bankrolled their needs at first, but when he found they repaid and appreciated the loans, he approached banks in their behalf, but the banks refused on the basis that the poor were not "credit worthy." The overall 95–98 percent repayment rate in village banks around the world contradicts that idea.

ollowing several successful rounds of loan/repayment cycles co-signed by Yunus, the bank continued to reject his proposals for direct loans. He boldly opened his own bank in 1983, calling it Grameen, Bengali for "village." There are now over 150 adaptations of his original model operating in sixty countries throughout the world, proof that "by small and simple things are great things brought to pass; and small means in many instances doth confound the wise" (Alma 37:6).

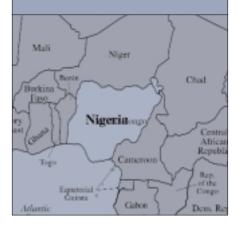
In the spirit of changing lives, students from BYU went to four countries during spring/summer 1999. Finding inspiration and focus through separate means, they embarked with energy and enthusiasm for the unknown challenges that faced them. They believed that one changed life, one success, would breed success for others. Professor Gary Woller said that though the world may not be changed "we do have the power, and hopefully the

Nigeria is the most densely populated nation in West Africa. This multibillion-dollar, oil-rich nation is hobbled by political instability, corruption, and poor economic management, which has prevented any move from the International Monetary Fund to provide debt relief. After fifteen years of military rule, the country is seething with economic and social difficulties as witnessed by pockets of unrest. Once a net exporter of food, subsistence agricultural production has failed to match the country's growth—resulting in food shortages and requiring food import.

FACTOID:

- Area—slightly more than twice the size of California
- Natural hazards—frequent drought
- Population—110,532,242
- Life expectancy—53.6 years
- Literacy 57 percent

SOURCE: CIA WORLD FACTBOOK 1998





Dan Nelson, David P. Maughan, and Alan Westenskow surrounded by a few of their Nigerian friends.

motivation, to improve a small slice of it." These students returned knowing they had made a difference in improving a small slice of the world for the greater good of mankind.

NIGERIA

Day-after-day, the women work in the market. Their ever-smiling faces belie the grinding struggle required to survive. Some sell simple foods: rice, plantain, or eggs; some display cloth woven in brightly-colored native designs; others offer roasted corn, but always they smilethey have work. Their greeting "you are welcome" was heard often by students Dan Nelson, business management; David P. Maughan, English; and Alan Westenskow, now a graduate in American studies, as they met with the women of Lagos, Nigeria, from 27 April to 5 June. "I have never seen such creativity, resourcefulness, or ingenuity as the people worked for basic survival," Maughan said.

"At the main university in Lagos, the most recent dates on magazines are from the 1980s, and Internet use is only available on one computer during the afternoon—for those who are lucky enough to go to school. Most Nigerians must use even the smallest patch of land to grow food for their families or to sell," Nelson said summarizing their plight and desire to work hard. He said the problem is they "have few opportunities,

and with no specialization everyone must be a jack-of-all-trades." Lack of advantage has not dulled their initiative—they are excited to learn. Nelson recounts how a business management seminar was announced for the following day at the church. He said, "There was no inconvenience for the short notice, no asking 'who is speaking?' before committing to attend, no thought for their qualifications. The meeting was packed." When the chance to learn presented itself, the people were there.

The students were primed to overcome hurdles before leaving for Nigeria. Nelson's original plan had fallen through, so he made plans to go to South Africa instead. A chance meeting in the hall brought the Nigerian project together—a project devised for the Liahona Economic Development Foundation (LEDF) by three graduate students who were unable to carry it out. Nelson, Maughan, and Westenskow were made aware of the opportunity by Professor Warner Woodworth.

After making arrangements with LEDF founder Dr. Adekunle Hassan, they arrived in Nigeria to study, analyze, and research microentrepreneurship and poverty alleviation. Hassan, a native of Nigeria and a member of the Church, is a successful ophthalmology surgeon who works half the year in St. Louis to fund the other half of the year in Nigeria—where his services are free. His Eye

Foundation in Lagos runs two branches: one for profit, one not for profit.

Hassan learned about microentrepreneurship and took the idea to his homeland, where he developed LEDF, his own nongovernmental organization (NGO). Each person on the board of directors is a native Nigerian—many were educated in the U.S. and Europe. The selfsufficient program is unique compared to most NGOs because it is not dependent on foreign organizations, but funding from outside sources is welcome. Small loans were first extended to rural farmers. then fishermen, and with the joint efforts of LEDF and Marriott School students, village market women may now receive the benefits of microentrepreneurship.

Nelson, Maughan, and Westenskow held meetings where they taught the people basic business principles: accounting, marketing, and employee relationships. They taught self-sufficiency and encouraged the people to avoid indebtedness to "loan sharks." Microentrepreneurship is not a handout. Education and knowledge helped create self-confidence and self-worth in people with very few options for growth and development. Nigeria is a country without an infrastructure. Nelson quoted a phrase used by the Nigerians to explain their existence, "God didn't make Nigeria, the British did."

In addition to their interaction with LEDF, Westenskow also wrote a business plan for Dr. Niyi Amole, an endoscopic surgeon, for a new clinic he has planned. Most of their time was spent in Lagos, but the students also traveled in the country and met with other NGOs working with poverty alleviation. The students' objective being to include the best of these programs and their experiences in their findings to LEDF.

They met "well-educated, successful, and competent people who are dedicating their lives," said Maughan, "who are involved in a work they realize is much greater than themselves." Forsaking corporate affluence for managing corruption in a Third World country, these people are making a difference for their fellow countrymen and women. They are, he says, "doctors, lawyers, engineers, and business



Forsaking corporate affluence for managing corruption
In a Third World country, these people are making a difference for their
fellow countrymen and women.

people committed to lifting and serving—helping others reach their potential."

The students also had singular opportunities as they visited with Church authorities and mission presidents in Nigeria. They held training meetings with zone leaders and assistants to the mission presidents. They participated in an open house for a newly built chapel in Lagos, where people waited a half hour or more to take the tour. One highlight noted on the tour brochure was the building's modern rest room facilities—a luxury in a country where luxuries are available to a very small percentage of the population.

After the students presented their findings to the LEDF board members, Hassan assured them that the board would go over the data and "implement everything that will help LEDF." The students received a small stipend for their

internship from the Kennedy Center and the Center for Entrepreneurship and a donation added by a professor—the rest they funded themselves. They also received new insights on the people's needs in Nigeria and insights to their own responsibilities as they returned to the United States and to the Marriott School, asking, "What am I doing with what I have been blessed with? Am I helping, am I serving, am I making a difference?"

Maughan said he has a renewed focus directed toward "rededicating myself to learning all that I can, building upon the talents I've been given, so that I may become capable of helping, of making a difference." Nelson said, "I now know how responsible we are. Each individual can make a difference and does have the power to help improve someone's life—no one is powerless, especially

if they live here in the U.S." He reflected on "how small the world is and yet how ignorant most of us are on the issues confronting other people," saying, "I ate lower-standard food, but I was eventually going to leave. My health is a blessing I take for granted; people there thoroughly enjoyed a day without malaria—they had another day to live and took advantage of whatever the day offered."

While Maughan and Westenskow returned home. Nelson left Nigeria and continued on to South Africa for the rest of the summer. He worked with several NGOs on a variety of projects. He studied a master microentrepreneurship project to be made available on CD-ROM for the UN Development program. Their research, comparing and contrasting models, will be released next year. Nelson worked with John DeWitt of the Small Enterprise Foundation (SEF), an NGO using two microentrepreneurship programs. One aimed at the poorest of the poor, directed by Ben Nkuma, preparing them to graduate to the other, a typical village banking program. He had an opportunity to lecture to scholars in Johannesburg on the varied aspects of microentrepreneurship models.

On campus, Nelson is president of Students for International Development. A web site has been established to coordinate service opportunities: www.byusid.org. For information contact Nelson at dhn@email.byu.edu.

GUATEMALA

Take two returned missionaries with love in their hearts for the people they had served, prepare them with an entrepreneurial spirit spawned at the Marriott School, and E-commerce reaches out to a creative, indigenous group of artisans in Guatemala. Mayashop has been contributing to economic development online since May 1999, offering a variety of items: book covers, backpacks, carry bags, jewelry, hats, place mats, and dolls.

Lee Hamblin, a business management student, attended the Marriott School microentrepreneurship conference last winter and met Luis Alvarez, president of



Joel Otterstrom and Lee Hamblin embrace entrepreneur Miza of Guatemala.

Enterprise Mentors (Mentores Empresariales), an NGO dealing in microfinance and entrepreneur training. The match led Hamblin and friend Joel Otterstrom, a computer science major, back to Guatemala to reestablish contacts they had made with families while serving missions. They set their primary objective to "make the diverse arts and crafts of Central America available to the world via the Internet, while simultaneously improving the standard of living for those artists who create these products."

The poverty-stricken artisans now have a mechanism for wider distribution of their products. Hamblin and Otterstrom buy directly from themavoiding intermediaries. The Miza family, who are borrowers with Enterprise Mentors, were among the first vendors to join Mayashop. Hamblin met them while on his mission, and they have two sons at BYU. They receive business training, a fair price for their goods, and then 10 percent of the profit goes back to Enterprise Mentors of Central America to redistribute microfinancing and business training for the development of other aspiring entrepreneurs. These microfinance loans increase self-sufficiency and increase livAfter signing the Peace Accords in December 1996, ending thirty-six years of civil war, the primary obstacle to foreign investors was removed. A deal made with the International Monetary Fund implemented a stabilizing monetary policy. Two-thirds of Guatemala's exports are agricultural products; coffee, bananas, and sugar account for most exports and employ over half of the labor force. Balancing inflation and interest rates continues to be a source of concern for the government. Poverty is a way of life for 40 to 50 percent of the population. Catastrophic events compound their struggle, disrupting small-scale production systems.

- Area—slightly smaller than Tennessee
- Natural hazards—volcanoes (33), earthquakes, and hurricanes
- Population—12,700,580
- Life expectancy—66 years
- Literacy—55.6 percent

SOURCE: CIA WORLD FACTBOOK 1998



ing standards for disadvantaged peoples throughout Central America.

In addition to the web site http://www.mayashop.com, the products are also available in retail stores in Provo, Salt Lake, and Spokane, Washington. Over the summer, sales in the retail stores doubled weekly, but have since leveled off. Internet sales have increased 300 percent. Hamblin and Otterstrom have limited time during the school year to handle the business and are searching for a sales manager to take over the retail accounts.

Hamblin said his education had "everything to do" with his idea for this business. "My accounting classes made it possible to do this. It has been a great experience, because I am applying and reinforcing the principles I've learned in my classes." In the day-to-day business, he utilizes his finance and accounting education the most. "Finance taught me how to make the most out of the capital at hand."



They receive business training, a fair price for their goods, and then 10 percent of the profit goes back to Enterprise Mentors of Central America to redistribute microfinancing and business training for other aspiring entrepreneurs.

BULGARIA

The owner of the small convenience store in Velingrad complained about the economy. Customer Shad Morris asked, "Have you heard of Nachala (translated Beginnings)?" "Yes, I am a borrower. The government doesn't do anything. The government is trying to stay afloat. You can't rely on state agencies. Nachala is the only one who is doing anything to help the small businesses—they are almost in financial ruin."

Morris was in Velingrad for a training conference for microfinance loan officers. Little more than an idea, an action plan, and a few contacts guided Morris on his research quest to Bulgaria. A second-year student in the joint degree masters program in organizational behavior and international development, Morris said, "I didn't know exactly what to do. I had submitted a proposal, but they were surprised when I actually arrived." He had been inspired by Lee Perry, associate dean of the Marriott School, and by Professor Warner Woodworth, who helped Morris plan the internship. In the summer of 1997, Morris interned with Grameen in Washington, DC, where he worked with a program for senior citizens.

A former missionary to Bulgaria, he decided to create his own internship after

several failed attempts to locate an internship in Bulgaria. Funding presented the biggest obstacle. He received small scholarships from the Kennedy Center, the Center for Entrepreneurship, and the BYU Study Abroad program, but still found he was not close to the sum needed.

The Institute of International
Education awarded Morris the Nancy
Petry Scholarship. He was also awarded a
National Security Fellowship from the
National Security Education program that
helped with travel and living expenses for
him and his wife, Mindi—and his research.
The United States Agency for International
Development (USAID), an arm of the

Among the poorest central European countries, Bulgaria has struggled to move to a market economy. Foreign trade has been stifled by lack of progress on internal reforms, causing the International Monetary Fund to withhold payment of a \$580 million loan. The establishment of a currency board in 1997 helped to increase foreign investment and resulted in lower inflation and interest rates. Poorly run state-owned businesses are gradually being auctioned to private owners. Rivers are polluted by sewage. Heavy metals in the air are damaging forests with acid rain. FACTOID:

- Area—slightly larger than Tennessee
- Natural hazards—earthquakes, landslides
- Population—8,240,426
- Life expectancy—72 years
- · Literacy-98 percent

SOURCE: CIA WORLD FACTBOOK 1998

is that self-employment is the only option"—no one else is going to step in to save them. An entrepreneurial spirit is required for survival.

Morris' action plan involved researching the NGOs in Bulgaria, concentrating on the areas of microfinance, small-enterprise development, business plans, training, accounting, and marketing. The resulting research provided case studies on four NGOs—the only four that work with small businesses in Bulgaria. He met with managers and others in the organizations, looked at the strategies and designs of the programs,

evaluated how microfinance affected borrowers, and gathered data in the macroeconomic setting.

Morris' wife, Mindi, a dental hygienist, worked through CARE and offered her services to physically and mentally handicapped orphans. Bulgaria has a very educated populace—numbering over eight million. However, their numbers are decreasing, and although they are orthodox Christian they are not having children, because things are bleak. Morris said, "The situation needs a long-range perspective. So much change is needed."



A MAJOR DIFFERENCE BETWEEN THE U.S. AND BULGARIA IS THAT SELF-EMPLOYMENT IS THE ONLY OPTION—NO ONE ELSE IS GOING TO STEP IN AND SAVE THEM.

National Security Agency, had offices in Bulgaria that assisted Morris with contacts to other organizations. USAID was established by President John F. Kennedy as an "independent government agency to provide economic development and humanitarian assistance to advance U.S. economic and political interests overseas."

What did Morris find in Bulgaria? "People have been laid off from state businesses. Unemployment is so prevalent that the people are having to scramble to find any way of providing for themselves." The store owner in Velingrad was one of the lucky ones. He said of himself, "At least I have bread to put on the table." With the help of microfinance loans, small businesses have been able to expand.

In the U.S., most of the working population works for someone else—self-employment is expensive and would not normally be an option for those who are unemployed. Morris said, "A major difference between the U.S. and Bulgaria



Left to right: Shad Morris in Bulgaria with entrepreneur Velelin Ivanov and his family.



Left to right: Lisa Jones, Hillary Storey, and Ann Zarkou in Comayagua, Honduras, with village children.

HONDURAS

Doña Mercedes once sought washing and ironing house-to-house; she now has capital to purchase corn for her own tortilla business. Working with her two daughters, she hopes to build her small business into a family-owned restaurant. Choosing to join a village bank allows her and others to buy direct and in larger quantities-thereby reducing costs and increasing profits for themselves. Her prosperity allows her to purchase from another entrepreneur hawking firewood from the back of his pickup truck at the local market. Mercedes' original \$100 loan, once paid, will qualify her for a new \$140 loan. The loan amounts vary according to need and ability to repay. Though small, the loans mean more than survival, they are the key to self-sufficiency for struggling Third World populations.

Hurricane Mitch left Mercedes and her five children homeless and destitute in Choluteca. They were not alone; tens of thousands were left in the same conditions. With the help of NGOs and volunteers responding to the aftermath of destruction, the future is looking brighter. Last winter Professor Warner Woodworth and a group of forty-six students from the Marriott School and other universities began to organize relief efforts locally. They called their organization H.E.L.P. Honduras (Help ELiminate Poverty). Lisa Jones, a first-year MBA student, functioned as their first field director.

Speaking of her experience to a group of new students this fall, she identified two secrets of service and counseled students to consider "the fit and the timing" as they choose and develop their own projects. Jones had ample opportunity to test those elements with her crew in Honduras.

Woodworth outlined the group's efforts to prioritize focus areas in preparation for their work in Honduras. They discussed and assigned teams to gather information and develop expertise in six areas: logistics, microentrepreneurship training, fundraising, public relations, technology and communications, and Honduran culture. Once in Honduras, Jones and company would offer support through business training, consulting, teaching values, and helping start village banks.

They determined to partner with the Foundation for International Community Assistance (FINCA), because Jones said, "We partnered with microentrepreneurship and service NGOs already working in four areas of the country—Danli, Talanga, Comayagua, and Choluteca—because they knew the people and the problems." They "also planned to learn 'best practices'" from them, Jones explained. Another player who provided leadership and business acumen is Todd Manwaring, a second-year organizational behavior student. He and his wife, Kristine, had created Humanitarian Link, an off-campus NGO that teamed with H.E.L.P.

Honduras in the planning and execution of their relief efforts.

As field director, Jones met with LDS mission presidents, U.S. embassy officials, Red Cross and Catholic Relief Services, as well as other relief organizations. They brought with them eight pick-up truckloads of good used clothing collected by BYU students, sixty hygiene packets (soap, toothpaste and toothbrush, combs, brushes, etc.) assembled through an Eagle Scout project, five water purification systems donated by a Northwest company, and sixty education kits (chalk, colors, paper, etc.) packaged by an LDS congregation. They also brought with them toys given up by the children of Joseph Cazier, an MBA student, who explained the needs of the children in Honduras to his childrenwho then readily handed over their best and favorite toys.

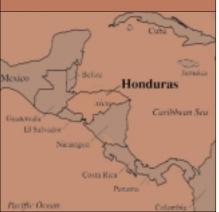
Within two weeks of arriving in the country, students were prepared to separate into the four designated cities and

The Mosquito Coast poverty, illiteracy, political corruption, and health problems are byproducts of generations of irresponsibility, economic neglect, and social abuse. The International Monetary Fund has pressured the country's administration to implement reforms to further decrease the fiscal deficit. Hurricane Mitch, and the resulting disruption of services, capped the plight of this republic's much-maligned people. Transportation routes were in most cases destroyed, interrupting the distribution of food, supplies, and medicine. Water sources have been contaminated, and communications systems have also been severed.

FACTOID:

- Area—slightly larger than Tennessee
- Natural hazards—earthquakes, hurricanes, and floods
- Population—5,861,955 (42 percent are less than 15 years old)
- Life expectancy—65 years
- Literacy—73 percent

SOURCE: CIA WORLD FACTBOOK 1998



surrounding areas. In the 100 degree heat and suffocating humidity, wet was something they learned to live with. In substandard living conditions they labored daily among the people. Jones explained the impact, "Hondurans saw they were not facing their problems alone, and they saw Americans were not above washing their own clothes, living on the floor, riding

rickety buses, or taking baths with cold water in outside sinks."

In each of the areas, students held explanatory meetings, "charlas," with the potential borrowers. In fact, they improved upon the meetings with the women (94 percent of village bank recipients are women) by adding "singing, education, games, and motivational exercises,"

Jones said. Their contributions were varied and flexible. They worked with LDS welfare missionaries. They taught computer and literacy classes. They taught nutrition classes at refugee camps in Tegucigalpa. They played, and laughed, and taught the orphaned children in Talanga and other areas who have little or no hope for tomorrow. They taught life and trade skills to orphaned boys in Comayagua. And they spoke in sacrament meetings.

Jones said, "The support for H.E.L.P. Honduras directly reached people who lack everything we in the U.S. take for granted: clothes, shoes, food, refrigeration, sanitation, clean running water, educational materials, medical and dental care, etc. They do not lack fierce national pride, humility, and a smile that comes from a greater source than their environment can supply. They have a friendliness, generosity, and faith that is mind-boggling amid that much dust."

Jones stressed that every volunteer, working individually and in teams, took ownership in the running of the organization. She added, "We hope to continue this project and expand it to include other schools and other partner NGOs."



In the 100 degree heat and suffocating humidity,

WET WAS SOMETHING THEY LEARNED TO LIVE WITH.

MOVING FORWARD

BYU and the Marriott School are placing more emphasis on service and learning as outlined by Dean Ned C. Hill (in this issue). These stories represent a sampling of the opportunities for service and learning currently available to students as they strive to implement the university's maxim—more are being developed. Our students are particularly well-suited for the task; they have inter-

national experience gained through a mission or study abroad, fluency in foreign languages, hearts full of charity for their brothers and sisters throughout the world, and a willingness to "go and do" what is needed.

Their experiences will develop within them leadership qualities of inestimable value to the organizations they will work in, will cultivate a sensitivity for those they will work with, and many will come to know the gospel of Jesus Christ because of their example.

We thank Warner Woodworth, professor of organizational behavior, and the involved students for their contributions to this article.

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FIELD DIRECTOR AND SOCIAL ENTREPRENEUR

After achieving a high level of income and outstanding business success, Lisa Jones decided to quit her job in Silicon Valley and move to Guatemala, where she could become truly proficient in the Spanish language and volunteer in the community. Jones says, "I had to learn to listen to myself," and explore what Socrates meant when he declared, "The unexamined life is not worth living."

She left behind the noise of a fastpaced, high-tech career that were drowning out the "hard questions" she felt a need to answer. Jones selected Guatemala "because of the reputation of its Spanish schools, its service opportunities, its rich cultural history and wealth of Mayan ruins, and its natural ruggedness." She traveled by bus and lived with impoverished families so she could fully experience the realities of their lives.

Jones learned to push herself, and it was there that she came to "really understand politics, poverty, and struggle." She said this "huge personal and financial risk and changing the direction of my life," enabled her to turn intentions into actions.

She experienced termite shavings dropping into her food daily. She walked past trucks loaded with Coca-Cola, guarded by men holding machine guns. Babies at the community hospital where she volunteered died in her arms—victims of malnutrition because their mothers could only feed them coffee.

Her experiences motivated her return to the U.S. to attend business school so she could effect lasting social change. Guatemala taught her that communities that have economic opportunities can flourish. With Jones's tremendous dedication to the world's have-nots, H.E.L.P. Honduras was conceived and



evolved. Contributing outstanding leadership in the planning stages between January and April 1999, she spent the summer as field director, laboring with Honduras' hurricane-ravaged poor.

Interfacing with officials in Honduras, Jones was also constantly concerned for the safety, security, and health of forty-six volunteers. She wore numerous hats in the daily challenge of welcoming and orienting new arrivals: assigning them areas to live, tasks to accomplish, conducting weekly team meetings, nursing the sick back to health, sending dozens of e-mails each week to the U.S., and communicating often with each team to coach and counsel. A challenging set of tasks for any human being—she performed all these roles with aplomb.

Silicon Valley and Guatemala both contributed to Jones's preparation for Honduras. A native of Santa Rosa, California, Jones graduated from UC Berkeley with honors in 1991. In addition, she was heavily engaged in a number of community service efforts.

With her BA, Jones was employed in the San Francisco research department of an investment banking firm, Sutro and Company. She moved to Applied Scanning Technology as a marketing manager in Sunnyvale, California.

In 1998, she was hired to create a new marketing department for a high-tech startup firm in San Jose, Duel Systems. In 1998 she moved to Upshot Corporation in Redwood City, where she helped launch new software.

In those more recent years, Jones expanded her spirit of volunteerism, completing seventy hours of training as an advocate of young victims of domestic violence, who are usually wards of the court. She also served in a Big Brother/Big Sister program, matched with a sixteen-year-old girl needing encouragement. At the same time she was a translator and English tutor for Spanish-speaking immigrants who solicited her help with employment forms, doctor's visits, insurance documents, and ESL homework. Her humanitarian work, in addition to LDS Church service and gospel doctrine teaching at the Stanford student ward in Palo Alto, reflect Lisa's commitment to helping other people. by Warner Woodworth, faculty mentor

school news

Entrepreneur Awarded

Stephen W. Gibson, entrepreneurin-residence, received the U.S. Small Business Administration Award as the Utah Media Advocate of the Year on 21 May. The award honored his news columns written in the *Deseret News* and the *Provo Daily Herald* and his efforts to increase public understanding of the importance of small business contributions to the economy.

Gibson has served as entrepreneurin-residence at the Marriott School for four years. He helps in teaching the popular Creating and Managing New Ventures class and assists with the Entrepreneur Lecture Series. He serves as faculty advisor to the student entrepreneur club (ACE) and mentors students.

National Accounting Board Chooses Interns

Second-year MAcc student Steve Castleton has been selected to serve an internship with the Financial Accounting Standards Board (FASB) during the coming year. Two other BYU students, Clark Maxwell and Curtis Wright, have also served as interns for FASB in the past three years. Both Maxwell and Wright are working for Ernst & Young, LLP. Maxwell is in the Salt Lake office and Wright is with E&Y's Orange County office.

For the past fifteen years, FASB invited universities across the United States to nominate candidates for the position. BYU has recently become actively involved in the FASB internship opportunity. According to Maxwell, a few schools have had great success with FASB internships, sending six or seven interns. "However, BYU has had three in three years. As far as I know, three in three years is an unprecedented achievement. This recent acceptance by FASB is a real credit to BYU and its faculty, students, and program," he said.

Castleton looks forward to his opportunity to work with FASB. "I have feelings of both excitement and responsibility. I am thrilled to work on leading-edge accounting projects with bright people. I'm sure I will learn a great deal. I also feel it is a privilege to be the one chosen to represent BYU. I know how my performance will reflect both on BYU and on me, so I'm taking on this opportunity with a lot of determination and dedication."

SOAIS "PhD Track"

To help students planning to pursue a PhD in accounting, SOAIS offers a PhD track especially designed for MAcc students interested in continuing on to obtain a doctoral degree and pursue a career in academics. According to **Professor Doug Prawitt**, coordinator of the PhD track, there were three primary motivators behind his original proposal for implementing such a track.

First, upon his return to BYU in 1993, Prawitt recognized that more could be done to help prepare students planning to pursue a PhD. "BYU doesn't have an accounting doctoral program of its own, but I believe we can play an important role in supplying top-quality students to PhD programs around the country," he said.

Second, Prawitt sees the PhD track as a way to increase the quality and size of the pool of LDS accounting professors. Since BYU has a long-standing policy to look first to qualified LDS candidates, it is important to ensure that a large and vibrant pool of qualified candidates exists.

Perhaps most motivating to Prawitt is the vision of having six to eight candidates graduating through the PhD track each year and eventually forming a large constituency of accounting professors at various universities. "Just think of the tremendous positive influence these good LDS professors will have on thousands of students across the country," he commented.

According to Prawitt, the PhD track is designed to give potential PhD candidates a head start in four fundamental areas. First to give them a solid foundation in quantitative skills, such as calculus and statistics on both practical and theoretical levels. Second to help students become familiar with current academic research. Third, enrolling in the track gives students an opportunity to teach introductory-level classes and gives them experience in this critical area. And finally to provide individual advice and counsel on, among many other issues, whether to pursue a PhD, what area to focus on, and which PhD programs will provide the best education in the student's desired area of research.

Student Politician

A Marriott School student is making his mark in the political world. **Daniel**



Marriott, a junior in organizational behavior, has been elected cochair of the College Republican National Committee.

Marriott's two-year position places him

second-in-command nationally, where he will play an integral part to double the size of college republicans in the U.S., which he is very confident will happen. He feels enthusiastic about this responsibility. "I love the opportunity to have an impact for causes I believe in, those of conservatism, of protecting the family, of promoting respect and responsibility in individuals," he said.

Running for a political office hasn't always been on Marriott's agenda. "I never thought of actually running for a national office," he said. Because he was the most active state chair in the western caucus, he was elected caucus chair and things evolved from there to his current position. "I believe in getting involved and making a difference, and 'things'



Left to right: Iliana Espircueta, Karen Peterson, Norma Garza, Cristina Salazar in Monterrey, Mexico

just fell into place when the positions opened," he explained. Although he is pursuing a business degree, Marriott is open-minded when it comes to his future plans. He believes that business is inseparable from politics. "Without it [business] who would pay the taxes or administer government effectively?" he commented. Marriott says that if he ever decides to run for an office in the future, he would like to have first worked in the society that he would represent—experience he expects from all elected officials.

SERVING AND LEARNING

Monterrey, Mexico

Growing up in Los Angeles and serving a Spanish-speaking mission in Texas prepared **Karen Peterson**, second-year MPA student, for her work this summer in Monterrey, Mexico, 10 May to 15 August. "I don't know who it served more. Even if only my Spanish had improved it would have been worth it," Peterson said of her unpaid internship in the Latin American Pilot Program.

"We talk about public service, but we are too busy, and we don't do it. I felt like a hypocrite," she said. Finding the way and means to serve was not a simple matter. Peterson talked to Arnold Parrot, director of BYU's Career Placement, and from there a scholarship for spring-summer as a social entrepreneur from the Center for Entrepreneurship got her on her way.

Peterson said student leadership at BYU helped to prepare her for service. Among the first participants in the program, she went to Monterrey to teach English and computer skills to Mexican nationals enrolled in the Monterrey South Institute of Religion. Elder Jorge Rojas, a former general authority, is the director of the institute where the program is housed. Peterson admits to being converted to the idea of Institute, and while there, a film crew arrived from the LDS Foundation to tape a video about the project.

In Mexico, as in some other countries, English classes are inferior and expensive. Peterson and four other students taught English and reading comprehension using the Book of Mormon. They also taught time management. She and another student translated lessons week-by-week, teaching basic, intermediate, and advanced levels for two hours twice a week. The student mix consisted of some male returned missionaries and forty to sixty females, mostly professionals between the ages of eighteen and twenty-three desiring to enhance their marketability. Peterson explained, "They work forty hours and study on the side; there aren't any loans available for education.

"The program is very intensive, but we were not trying to make them grammatical gurus. We conducted pretests and posttests to show progress." She applauded the "incredible correlation" using the TALL language system designed and used by the MTC, saying, "This is an incredible tool for them; it helps to motivate them to succeed in English—speaking is the key." Team leader Malcolm Botto Wilson said, "Karen made great efforts to understand the Mexican saints and really

connected with them. She was very liked and appreciated by her students."

Peterson says her experience led her to reprioritize her life, and it has strengthened her testimony. "I did what I needed to do. I went there to serve and realized I was serving and learning."

São Paulo, Brazil

After serving a mission from 1993 to 1995 in São Paulo North, **Rance Patterson**, a junior in the MISM program, could not have foreseen his return there as team leader for the Latin America Pilot Program. Patterson, his wife Julie, and three others were the first group to serve in Brazil from 10 May to 8 August.

Their objectives included helping to develop curriculum with Adilson de Oliveira, director of the Institute, and working with the area president and local leadership to reach out to an undereducated population. Originally designed to accommodate 180 students, the program was adjusted to cater to 250—with 300 on the waiting list. Patterson said, "There is a big demand for the classes. The people try so hard, but they are not given the opportunities we have. Their perspective is different, they want to learn, and it makes them teachable."

The difference this program can make in one life is astounding. For example, a secretary who knows only Portuguese may expect to earn \$300 monthly, by just adding English language skills the salary goes up to \$1,500 per month—enough to buy a car and a house. Adding computer skills raises the ante even higher. Computer positions remain unfilled because the labor force is unskilled.

Students who have been through the program are now teaching on a volunteer basis in a program targeted for self-sufficiency. A majority, 80 percent, are returned missionaries who often had limited educational advantages and rejoined the work force as unskilled laborers—labor that is required to work on Sundays.

"Seeing the light come on in the classroom and knowing the understanding was there" was a highlight for Patterson. He held videotaped mock interviews with the



Left to right: Julie Patterson, Rance Patterson, Adilson de Oliveira, and Carlos Eduardo in São Paulo Brazil.

students to assist them in polishing their skills. As they watched themselves, selfcorrection proved to be a powerful teacher. In addition, they learned resume writing and professional comportment.

Adilson not only serves as the director of the Institute, he also works fulltime, is a member of the stake presidency, and must still make time for his family. Discussion is underway on how to remedy his work overload. Patterson said, "I had a strong spiritual confirmation that this program is inspired of the Lord, and it will work in any Third World country."

Recruiting Investment

A new club at the Marriott School is giving a boost to recruiters and students. On 22 and 28 September, the Investment Banking Club hosted major Wall Street investment firm recruiters. Matt Streadbeck, undergraduate president, said, "There is quite an LDS presence on Wall Street. Alumni are passionate about BYU. They want to place students. These visits are possible because alumni within the industry, who are competitors, contacted each other and said 'let's go to BYU."

Representatives from Lehman Brothers, Morgan Stanley Dean Witter, Goldman Sachs & Co., Charles Schwab, Dain Ruacher Wessels, Bank One, DB Alex Brown Merchant Banking Group, JP Morgan, Imperial Bank, and others met with students. "Recruiters have visited in the past, but they haven't been very impressed, because students were not prepared and did not understand the industry," said Streadbeck. "I wanted to make a club that would make Marriott

School students more marketable." Streadbeck saw a need, and with the help of faculty advisor **Steven Thorley**, other students got involved.

Accepting students from all majors, the club was organized to feature activities that will educate students about the industry, to help them establish networks prior to graduation, and to build the school's reputation. Other club officers include, **Brett Stohlton**, MBA president; **Tyler Price**, MBA vice president; **Brad Heitmann**, undergraduate vice president; and **Professor Craig Merrill**, faculty advisor.

Diversity on Display

Once a corridor for those passing through, the Tanner Building atrium has now become a gathering place to meet, eat, and work in. Growing out of discussions following the benchmarking visits in 1998, the atrium is also sporting an international flag display. "We felt the flags would demonstrate our international focus, welcome our international students, and provide color and warmth in the atrium," said Rixa Oman, assistant to the dean, who coordinated the project. Oman said response from faculty and students has been overwhelming. "The international students especially love seeing their countries recognized as a permanent display."

MBA students got involved and used it as a project for their graduating class last April. They raised the money for the thirty-eight flags, and the school paid for the Velcro. The display adds to the festive atmosphere in the atrium with the

Marketplace Café that was added last spring. On the second and third floor, eighteen tables each accommodate five people with Internet and power connections for laptops. There are four additional tables without connections on the first floor.

Representing international students' countries over the past few years, nine more flags will be added this fall to reflect current student enrollment. Oman, Jerry Clark, custodian, and Clint Elison, humanities major and dean's office assistant, worked together to hang the flags.

Graduate Leadership

August orientation became a hands-on leadership experience for many second-year graduate students as they guided four hundred first-year students through the service-focused introduction to the Marriott School. The personal touch was intended to "increase student involvement and spirituality though the semester," said second-year MBA **Robert Gardner**.

Students learned what it means to be a Marriott School student, received training for case work, and were divided into teams of around six members each from across all the programs (i.e., MBA, MPA, MOB) to plan a service activity with international scope lasting six weeks to a semester. Second-year students presented a case before the group, and three secondyear students reported on their service internships from the summer: Lisa Jones, Honduras; Shad Morris, Bulgaria; and Karen Peterson, Mexico. And groups of twelve, including faculty, discussed Educating Zion, servant leadership, and the responsibilities of a call to service.

James H. Backman, law professor and director of the Jacobsen Center for Service and Learning, addressed students on the importance of service and learning and the options available to them. Backman said, "I am very impressed that the Marriott School is supporting service and learning initiatives—requiring it for every graduate student. I would like to see this adopted on a university level."

MBA student **Anna Allen** is working as a graduate assistant at the



Procter & Gamble Chairman 1999 IEY Recipient

Selected as 1999 International Executive of the Year, John E. Pepper, chairman of the Executive Committee of the Board at Procter & Gamble, was honored at a reception and banquet held at the Wilkinson Student Center, 29 October, after presenting a lecture to students.

Beginning his career with Procter & Gamble in 1963 as a staff assistant, he moved up through the ranks, proving his merit in management positions, and became chairman of the board and chief executive in 1995. In addition to his role with Procter & Gamble, Pepper is a member of the board of directors for Xerox Corporation and Motorola.

A native of Pottsville, Pennsylvania, Pepper graduated from Yale University in 1960 and holds honorary doctoral degrees from Xavier University, Mount St. Joseph College, and St. Petersburg University (Russia).

Pepper and his wife, Francie, have four children and reside in Ohio.

center where, as Backman describes it, "We work with virtually every local agency coordinating campus service and learning efforts. The talents and skills of Marriott School students are going to build excellent bridges for us in the community." Backman expressed concern that service efforts are only slated for the fall semester, "It would be nice to duplicate more of them, have it be more sustainable," but hastened to add, "This is a great start." He also expressed enthusiasm for the global initiatives being developed at the school.

Student Service

Approximately three hundred students were seen sweating and toiling in

the foothills of northeast Provo as they cut a new trailhead for the Bonneville Shoreline Trail, Saturday, 28 August. As part of the graduate orientation service project, students provided more than 1,200 hours of community service and worked in conjunction with the U.S. Forest Service to complete the trail.

Before leaving for the trail site, students were addressed by Pamela Atkinson, vice president of mission services at Intermountain Health Care. She advised them to reexamine their concept of service for others. Taking this advice with them, students headed up the canyon.

Ann Harrison, MBAA service chair, explained that the objective of the project was to level out a path four to five feet wide on the trail that will eventually follow the entire perimeter of ancient Lake Bonneville. She said, "Thanks to students' efforts, casual hikers to hard-core mountain bikers will use the Bonneville Shoreline Trail safely." The students felt good about their work and look forward to future opportunities to serve. First-year MBA student Nathan Bullock commented, "Getting out and serving others helps us to keep our perspective balanced."

Investment Success

Lucrative student investments brought a \$4,130 check to the school's finance department in September. D.A. Davidson & Co., in Salt Lake City, gave students the opportunity to invest \$50,000 in real money. One half the return in excess of 5 percent was given back to the finance department. The check was delivered by James Wheeler, senior vice president and branch manager. He said, "We feel like we need to give back to the community. There needs to be more interaction between business and education. It's fun to do this."

Students in three sections of Business Management 410 researched and proposed investments that were then voted on by the class. "This was our first year with the D.A. Davidson fund, so we did not get the full amount invested because the students had to research and justify each decision. This was unfortunate



Students cut a new trailhead for the Bonneville Shoreline Trail.

with the U.S. stock market doing so well. However our return on the money that was invested was 35.5 percent, compared to 30.3 percent return on the S&P 500 over the same period. Whether by luck or by skill, we beat the market by 5.2 percent," said **Steven Thorley**, associate professor of business management.

Thorley said the money will be added to the general finance account to benefit the department and students.

Marriott School Launches Web Site

After more than 750 hours of research, design, and programming, the Marriott School launched a new web site in August, created and built by four students in the School of Accountancy and Information Systems: Elton Orme, Matthew Maddox, James Boden, and Josh Trefethen. The students worked under the direction of the Alumni and Public Relations office. Nina Whitehead, a web specialist, also worked with the students. The web team researched more than 150 business organization and school sites before creating the new look for the

Wired for Education

BYU ranked seventy-seventh in the third annual Yahoo! Internet Life (Y-Life) survey of the 100 Most Wired Colleges 1999. In conjunction with Peterson's Guide, Y-Life surveyed 571 four-year institutions in thirty-nine categories. The survey considered among other things the availability of online registration, distance learning, student e-mail accounts and web space, alumni access, and student/computer ratio. This is the university's first showing on the survey, due in large part to President Merrill J. Bateman's commitment to utilizing technology on campus. "Lectures, data, class assignments, reading materials, exams and other tutorial materials will be online and on CD-ROM." Bateman said. "Students will access online information from their homes before they arrive, from their dorms after arrival, from the library, from other buildings on campus, and eventually by antennae from any location."

web site. Using the latest technologies available, the students integrated the best applications from their research to build the new site.

Owen Cherrington, director of the Master of Information Systems
Management (MISM) program said,
"The site is innovative and on the leading edge of what's current in web design."
He believes "the students have created something that will be a great tribute to the Marriott School."

The new site is organized to provide users with easy navigation to find the information they desire. Its advantages include high-quality graphics, a pop-out menu structure, and a site search and index—all providing greater accessibility. "We said from the start that we would create the most innovative and cutting edge options possible," said Orme. "We didn't limit ourselves to what we thought we were capable of doing. If we didn't know how to do something for the site, we researched and worked until we knew how to do it."

The project began last fall with a challenge from Dean Ned C. Hill to create the most innovative and user-friendly business school site on the Internet. The design is directed to meet the service

needs of the Marriott School's target audiences: students, prospective students, recruiters, faculty, alumni, contributors, and LDS Church members.

The site is only the first phase of changes to be made to the Marriott School's Internet presence. The second phase, expected next spring, will be the addition of a large database to manage and update the site's content, reducing time and effort necessary to maintain the site. The final phase, expected fall 2000, will be a site customized according to the informational needs of each user.

The Marriott School can now be accessed on the web at http://marriottschool.byu.edu

Marketing Scholars

The Institute of Marketing awarded seventeen students with cash scholarships amounting to \$18,000 at a special luncheon on Friday, 10 September. Students were recognized for their scholarship and contribution to the marketing industry.

Scholarship winners are: Jack
Blodgett, a marketing communications
major from Orem; Ken Carlisle, a business
management major from West Valley City;
Garon Dayley, a marketing major from
Salt Lake City; Amanda Holmes, a fashion
merchandising major from Farmington;
Shawn Koncurat, a finance major from
Sandy; Milton Linn, a finance major from
Orem; Ryan McClain, a finance major
from Sandy; Lucas Meldrum, a marketing
major from Houston, Texas; Matthew

Nielson, a marketing major from Yorba Linda, California; Sally Reynolds, a finance major from Provo; Camille Robinson, a marketing major from Provo; Rebecca Schaefer, a finance major from Idaho Falls, Idaho; Brent Smedley, an international relations major from Citrus Heights, California; Sara Snow, a business management major from Salt Lake City; Bryan Thunstrom, an international finance major from San Diego California; Rand Waddoups, an economics major from Mesa, Arizona; and Davies Walker, an information systems major from Salt Lake City.

The scholarship money was provided by six individual endowments and four grants from local and national businesses. Although the scholarship program has been in place for years, this year marked the highest amount given to each recipient and the highest total amount awarded to Marriott School students.

Bill Price, director of the Institute of Marketing, said the program directors are overwhelmed and gratified at the generosity demonstrated by the scholarship benefactors. "We hope that many more can catch the vision of creating endowed scholarships to benefit our fine students," he said.

Each student received \$1,000, with the exception of Matthew Nielson, who received top honors and a cash award of \$2,000. Students were chosen by a committee of three professors who ranked each candidate on GPA, scholastic preparation for a career in marketing,



Left to Right, Back: Rand Waddoups, Bryan Thunstrom, Lucas Meldrum, Ryan McClain, Jack Blodgett, Garon Dayley, Matthew Nielson. Front: Sara Snow, Shawn Koncurat, Rebecca Schaefer, Davies Walker, Sally Reynolds, Milton Linn, Amanda Holmes, Brent Smedley, Camille Robinson. Not pictured: Ken Carlisle.

Undergraduate Business Rankings

The Marriott School is ranked number thirty-two for best undergraduate business programs by U.S. News & World Report in this year's America's Best Colleges issue. The undergraduate accounting and general management programs are also listed among the nation's best.

Dean Ned C. Hill said, "We're pleased with the national recognition the Marriott School has received, especially our top undergraduate accounting and management programs." Hill gives credit to the exceptional faculty and programs that enable the school to attract very bright and talented students. "Marriott School students bring a global perspective to their business education. Three quarters of them speak a second language, and many have lived abroad," he commented.

In addition to ranking the best undergraduate business programs, U.S. News also ranked the best specialty areas. The Marriott School is ranked sixth in accounting and thirty-first in general management. "Our international perspective and use of technology have helped us maintain top ranking in accounting," said Lee Radebaugh, director of the School of Accountancy and Information Systems. "Our goal is to stay several steps ahead of the market."

The 30 August issue of U.S. News & World Report ranks 327 undergraduate business programs accredited by the International Association for Management Education. Rankings are based on a national survey of deans and senior faculty who rate the quality of the academic programs at the institutions with which they are familiar.

interest in marketing as a career, and financial need. Those receiving the top scores were awarded scholarships.

Institute of Marketing faculty also contributed to the fund, routing resources from their research funding toward an endowment for the scholarship program. They are joined by financial contributors Doyle Robison, Larry Dahle, Richard Bolinder, David and Muriel Price, and Dahle's Big & Tall Superstores.

Increased funding for this year's

endowment also resulted from these corporate contributors: Walgreen Co.; Super Target Co.; J.C. Penney Co. Inc.; and Dow Chemical Co.

Accounting Conference

The School of Accountancy and Information Systems hosted its fourth Accounting Conference, 23-24 September. The conference provided the most current information available to help accountants meet professional demands, along with expert advice on dealing with the critical issues faced outside the office.

Featured speakers at the conference included Roger Clarke, president of Ensign Peak Advisors, Inc., and Val Oveson, national taxpayer advocate. Also on the itinerary was a banquet with Truman Madsen. The conference included fifteen breakout sessions featuring prominent business, accounting, and personal-improvement experts.

New Professorship

A new professorship has been awarded that connects engineering students to resources within the Center for Entrepreneurship. This is the first step in the center's move to promote entrepreneurship at the university level.

A. Brent Strong, professor of manufacturing engineering technology, received the Lorin Farr Professorship in Entrepreneurial Technology at a luncheon held Friday, 24 September. The luncheon was held in conjunction with the 1999 Fall Founders Conference, at which entrepreneurs and students were brought together to promote entrepreneurship across the university.

"The center's goal is to advance entrepreneurship and the knowledge of starting and building successful companies into other schools and departments at BYU," said **Donald Livingstone**, director of the Center for Entrepreneurship. "We are looking forward to a great exchange of ideas and knowledge with the partnership of these two departments."

Through this professorship, Strong will coordinate measures to apply



entrepreneurial training into the engineering curriculum. This will be accomplished through classes that teach basic entrepreneurial skills to engineering technology and

A. Brent Strong

engineering students, guest speaker forums, student seminars, Association for Collegiate Entrepreneurs (ACE Student Club) meetings, and faculty exchanges.

Rick and Toni Farr endowed the professorship in honor of their greatgrandfather, Lorin Farr, who was mayor of Ogden for twenty-two years. Lorin lived from 1820 to 1909 and also served as a member of the first Territorial Legislature for thirty-three years. Rick is assistant director of the Center for Entrepreneurship and president of C. Eric Farr and Associates.

Techno-MBA

The Marriott School pulls ahead in the world of technology. The third-annual top techno-MBA survey conducted by Computerworld ranked the Marriott School's MISM program twentieth in the nation.

Computerworld conducts the survey to encourage business programs to fill the void companies have for information technology leaders. In the magazine, Bronwyn Fryer explained, "For years, CIOs have complained loudly that college graduates are ill-prepared to become information technology leaders a sentiment that's frequently echoed by students themselves." But with techno-MBA programs on the rise, students will enter the workforce as "well-prepared, carefully trained technologists with good communication skills."

"We are excited to see that our Informations Systems program is so highly rated by Computerworld," said Lee Radebaugh, director of the School of Accountancy and Information Systems. "Our program has always been first-rate, and our new techno-MBA track will certainly enhance that reputation."

faculty news

Research on Internationalization

Gerry Sanders, assistant professor of strategy, and Mason Carpenter from the University of Wisconsin Madison, published the results of their research on internationalization and firm governance. Their study suggests that "firms manage and cope with the informationprocessing demands and agency issues arising from internationalization through higher, longer-term CEO pay, larger top-management teams, and the separation of chairperson and CEO positions." A synopsis of their research was published in the May-July 1999 issue of Academy of Management Executive entitled, "Two Heads Are Better than One if Your Company Spans the Globe," by Marc Mentzer. The complete study was published in the Academy of Management Journal 1998, Vol. 41, No. 2, p. 158-178.

Electronic Tax Project

Gary Cornia, professor of public management, is co-chair of the Communications and Electronic Commerce Tax Project of the National Tax Association aimed at resolving the problem of untaxed "remote commerce." He believes that "we need to solve the problem in a rational way, rather than in a fiscal crisis when there is a political feeding frenzy." One possible solution he suggested is that it will take simplified tax rates to make remote sales taxable. He also noted that simplifying the rates is expected to be the toughest obstacle. "The states have to make concessions," he said. Cornia is also chair of the Utah Tax Review Commission, and is joined in his search for solutions to this costly problem by Utah Governor Mike Leavitt.

Romney Institute Appoints Chair

Robert J. Parsons, professor of public management, has been appointed chair of the Romney Institute of Public



Management. He replaced Larry C. Walters, who served as chair of the department for the past four years and has returned to full-time teaching and research. "We are pleased

to have a man of Robert's talent, intelligence, and commitment accept this assignment," said Dean Hill. "He brings with him a distinguished national reputation in the field of hospital administration and an outstanding record of teaching and university citizenship."

Parsons says he is committed to building a nationally recognized public management program. "Working with the exceptional faculty, staff, and students in the Romney Institute, we will continue to provide graduates who will bring ethical training to public and not-for-profit organizations throughout the world," he said.

He has taught at BYU since 1970 in both the economics and public management programs. During his tenure at BYU, he served as associate dean of the Marriott School for four years. "I consider Parsons to be one of the finest and most competent men that I know," said Lee Perry, associate dean. "He is a true gentleman and brings stature, integrity, and strong leadership to the institute."

Strategy for Success

 $\begin{tabular}{ll} \textbf{W. Steve Albrecht}, associate dean and Arthur Andersen \& Co. Alumni Professor \\ \end{tabular}$

of Accountancy, spoke at the campus devotional on 28 September in the Marriott Center. He shared four strategies for success in helping keep lives afloat in rough waters:



1) Have a sense of value and purpose beyond your work, 2) Maximize options and choices to enhance freedom, 3) Add value to each day, and 4) Avoid selfdefeating behaviors such as self-pity, pride, and selfishness.

Albrecht has taught at BYU for twenty-two years. He earned his BS in accounting from BYU and his MBA and PhD degrees from the University of Wisconsin at Madison.

Argentina Plans MBA

Steven Thorley, associate professor of finance, and Jayson Newitt, MBA student (now with Marriott Corporation), met with officials of the Universidad Nacional de la Matanza (UNLM) in Buenos Aires, Argentina, from 28 to 30 June. Under the direction of Dean Ned C. Hill and MBA program Director Henry Eyring, Thorley met with Daniel Martinez, president of UNLM, who has requested help in designing an MBA program for Latin Americans modeled after successful U.S. business schools.

Thorley and Newitt also met with Marriott School alumni to determine ways to increase the school's influence in Latin America and expand local opportunities in higher education for LDS youth. With the help of a translator, Thorley presented "Inversiones en la Mercado de Valores en el Siglo XXI" (Stock Market Investing for the 2lst Century) to economists, university students, and local media.

Research Model

"A considerable amount of clean, semistructured data on networks is internally available to companies in the form of business reports," says **Stephen Liddle**, assistant professor of information systems. His research has produced a program model using "algorithms that automatically infer the regular structure underlying business reports and automatically generate wrappers to extract relational data." Liddle recognized that "business reports are untapped for data mining, data warehousing, and querying because they are

Advancement

Stan Fawcett, from business management, was granted continuing faculty status and promotion to the rank of professor.

Brian Spilker, from the School of Accountancy and Information Systems, was granted continuing faculty status and promoted to associate professor.

Bernell Stone and Andrew Holmes, professors of business management, were awarded Best Paper in Banking for their publication "The Efficacy of Credit Market Regulation: Empirical Evidence from the Community Reinvestment Act" at the annual Financial Management Association convention. The paper is currently under review by the Journal of Money, Credit, and Banking.

Douglas Prawitt, from the School of Accountancy and Information Systems, was granted continuing faculty status and promoted to associate professor.

Hal Gregersen, from organizational leadership and strategy, was promoted to professor. James Stice, from the School of Accountancy and Information Systems, was promoted to professor.

not in relational form, but they have a regular structure that can be reconstructed."

He will be recognized for his paper at the 1999 Conference on Information and Knowledge Management held in Kansas City, Missouri, 2–6 November. An article on extracting data from web pages will appear in the November issue of *Data and Knowledge Engineering*. Liddle is also raising his profile within the conceptual modeling community by serving on the organizing committees for the International Conference on Conceptual Modeling.

Helsinki Conference

A research study by **Steven Thorley**, associate professor of finance, and coauthored with Professor Meir Statman of Santa Clara University, was selected to be part of the Symposium on Portfolio Choice, the theme of this year's European Finance Conference in Helsinki, Finland, on 26 August. Thorley presented the academic paper "Investor

Overconfidence and Trading Volume" at the conference attended by finance academics and professionals throughout Europe.

Thorley and Statman's study finds evidence that the volume of trading on stock markets increases and decreases based on marketwide returns over the previous several months. These findings are consistent with behavioral theories that suggest many investors incorrectly attribute short-term, marketwide investment results to their own trading skills. Thorley said, "Simply put, many investors ignore the old Wall Street adage 'Don't confuse brains with a bull market."

Training in Bangkok

The Marriott School is extending its vision of building outstanding managers and leaders throughout the world. In July, professors **Donald Adolphson, Robert J. Parsons, J. Bonner Ritchie, Chris Meek,** and MPA graduate **David Tanner** provided a month of special leadership training to top officials in the Bangkok Metropolitan Administration (BMA) in Thailand.

Initial steps toward forming the program were taken in November 1998 when Meek, along with Don Holsinger, director of the Kennedy Center for International Studies, and Vance Randall, Department of Educational Leadership and Foundations chair, visited Thailand to meet with representatives from BMA. Tanner explained that Bangkok is in need of reform because of the economic crisis that has lasted over three years in Asia. Thailand is one of many countries on the receiving end of loans from the World Bank and International Monetary Fund. One condition of these loans is to reform economic policy and improve government efficiency.

Tanner and the professors were welcomed by Bangkok Governor Bhichit Rattakul, who received his PhD from BYU in microbiology and has encouraged a relationship between Bangkok and the Church as well as BYU. Ritchie explained that there were three important dimensions of the seminar: "First, it was a great opportunity to render service. Second, we had the opportunity to learn from each other and share our experiences and cul-





Photos by Lois A. Ritchie





Top to bottom: Bridge over the River Kwai, three spires at the Royal Palace, Elephant Temple at Chaing Mai, Professors Parsons and Ritchie, and David Tanner with Bangkok delegation.

tures. Third, the seminar built bridges among the Bangkok officials, the university, and the Church."

Seminar participants were from the Civil Service Commission, the Human Resource Training and Development Institute, and the Policy and Planning Department of the city. The training covered total quality management; organizational change and development; reinventing government—the new management paradigm; and how to access productivity in organizations, programs, and people.

The seminar agreement also included a ten-day visit by Bangkok city officials to the United States to see the principles taught being used in practice. Nine officials arrived in August, hosted and entertained by the professors. While in Utah, they met with Dean Ned C. Hill at the Marriott School and visited the BYU campus. Tanner described their experience as a "great opportunity to develop a strong relationship between present and future Bangkok city managers and BYU, and more importantly a great relationship with the professors." Marriott School professors drove them to their various appointments in Utah, Oregon, and California, and spent a lot of time with the group developing friendships and ties. Tanner said it was a unique opportunity for the Bangkok visitors, because in their culture, professors rarely leave their teaching sphere.

This training seminar was the first of its kind organized by the Romney Institute of Public Management outside the United States. Parsons believes this is just the beginning of such programs. "This seminar is a model for future Marriott School international programs and has opened the door for new international opportunities for the Romney Institute," he said. Parsons feels the seminar also provided valuable global experience for the professors. "The seminar was a great opportunity for faculty to collaborate and develop an integral curriculum that was responsive to international needs."

The program also proved to be a valuable experience for Tanner, who finished his MPA course work in April. He was asked to be the project coordinator because of his leadership expertise and his language and cultural experience gained during his mission to Thailand. "I take it as a great compliment that the Romney Institute and the Marriott School trusted me to take on such a huge responsibility," he said. "My classwork and schooling really prepared me well to know what was relevant for the participants in the seminar, and to also communicate what they need with what the professors can offer. It was really a compressed practicum of everything I've learned in my schooling here at BYU."

Riding the Rails

A paper "Valuing the Invaluable: Valuing National Treasures," written by **Robert Crawford**, associate professor of business management, and **Howard W. Barnes**, retired Marriott School professor, was presented in Delhi, India, at the 4th annual conference of the DarJeeling Himalayan Railroad (DHR or Toy Train) Historical Society the second week of April 1999. The paper was the formal presentation of an expanded value theory.

Railroad enthusiasts from throughout the world met with Indian rail authorities at the conference to support the United Nations designation of the DHR as a World Heritage Site. Crawford was able to ride the DHR its full length, and said, "It was a fascinating adventure." The DHR—a narrow gauge railway—works its way from New Jal Paguiri to the Hill Station, Darjeeling, 88 kilometers away. Over time, depreciation and neglect have decreased much of its ordinary commercial significance to the local economy. However, its importance and meaning from a broader perspective is undiminished. (e-mail requests for a copy of the paper to rgc@email.byu.edu)

New Faculty Join Marriott School



James Brau, from Tallahassee, Florida, is a 1991 graduate of the United States Military Academy at West Point. While attending West Point, he joined the Church. After gradua-

tion, he served approximately three years as an Airborne Ranger infantry officer in the Army. For an additional five years he served as an officer in the National Guard and Reserves, earning the rank of Captain. Brau returned to his hometown to attend Florida State University for his graduate training.

He earned a PhD in finance in May 1999 and joined the BYU faculty the same month. His primary area in both research and teaching is corporate finance. His specific research areas include external equity financing, agency theory, and long-run performance of initial public offerings.

Brau is married to the former Michelle West, and they have three children and one on the way. His family enjoys the outdoors, especially fishing and swimming at the river. Brau enjoys playing all sports and particularly enjoys watching college football.



David A. Carlson, professor of aerospace studies, Det 855, graduated in April 1991 from Brigham Young University with a degree in business management. Shortly after

graduation he was commissioned a 2nd lieutenant in the U.S. Air Force.

His first military assignment came in January 1992 as an aircraft maintenance officer with the 429th Electronic Combat Squadron at Mountain Home AFB, Idaho. During his tour at Mountain Home, Carlson also worked with the 390th and 391st Fighter Squadrons. In 1995, he was reassigned to Malmstrom AFB in Great Falls, Montana. There, he worked as the base munitions accountable systems officer. While at Malmstrom, Carlson earned his MPA from the University of Oklahoma.

He is married to the former Nancy Sandberg, and they have two sons.



Douglas L. Dean, assistant professor at the School of Accountancy and Information Systems, received his PhD in management information systems from the University of

Arizona in 1995 and a master of accountancy with an emphasis in information systems consulting from Brigham Young University in 1989.

For the past four years, Dean worked as a research scientist at the Center for the Management of Information at the University of Arizona, where he has conducted applied research on information systems implementation projects. His research interests include collaborative tools and methods, software project management, and requirements analysis. His work has been published in Management Science; Journal of Management Information Systems, Group Decision and Negotiation; and IEEE Transactions on Systems, Man, and Cybernetics.

Air Force ROTC Accomplishments

Colonel Frank W. Clawson served as commander for a five-week field training encampment for 160 students. This is a demanding, sixteen-hour-a-day leadership training program including practical application of leadership principles by the students.

Captain Cody W. Barker attended a six-week professional military education course (Squadron Officers School) designed to improve communication and leadership skills.

Captain Stanley J. Ness directed a four-week professional development training program for twenty-four students. The program introduced students to various career fields in the Air Force, with opportunity to shadow officers as they perform their daily duties.

Colonel Charles J. Unice was promoted to a full colonel in the Air Force Reserve this summer.

Army ROTC Accomplishments

Captain L. Paul Dunn wrote an article entitled, "The Four Basics of Air Defense Planning," that was published in *Air Defense Artillery* magazine.

Twenty 2nd Lts. were commissioned into the US Army. Sixteen cadets completed advanced camp training held in Fort Lewis, Washington, in preparation to be commissioned in the US Army.

Eight cadets completed basic camp held in Fort Knox, Kentucky. All of them were offered basic camp scholarships. In addition, ten four-year scholarships, one three-year scholarship, and six two-year scholarships were awarded to the cadets.

The ROTC Ranger Challenge Team won first place or "The Golden Bear" Brigade Award for the third year in a row, competing with twenty Southwest region schools.

Two cadets were recognized at summer basic camp. Frank Judd received the Bold Leadership Warrior Spirit Award, and Jack Burns received the High Rifle Marksmanship Award.

Dean is married to the former April Lynn Hancock, and they have two sons and three daughters.

Lieutenant Colonel Reid E. Grawe, is commander of the Brigham Young University Army Reserve Officer Training Corps (ROTC) Battalion. He was commissioned a 2nd Lieutenant on 25 June 1981 in the United States Regular Army and



entered active duty in the adjutant general corps after successful completion of a four-year ROTC program at Brigham Young University. He is a graduate of the Adjutant

General Corps basic and advanced officer courses, the Combined Arms and Services Staff School, and the Command and General Staff College. He also completed the Military Comptrollership School, the US Army School of Comptrollership, and the professional military comptroller course.

Grawe received his bachelor's degree from Brigham Young University in 1981 in family financial planning and counseling, and his MBA from Syracuse University in 1990 in organization and management.

He is married to the former Julie Ann Riley, and they have six daughters.



Greg Stewart, associate professor of organizational behavior, joins the Marriott School faculty after six years at Vanderbilt University (Tennessee) where he recently received the

Dean's Award for Excellence in Teaching. Stewart's areas of expertise include organizational behavior and human resource management. He has published numerous articles related to self-managing work teams and team leadership.

Stewart also conducts research related to organizational staffing, including an emphasis on understanding how employee personality traits affect performance. His research articles have appeared in leading academic journals including Journal of Applied Psychology, Academy of Management Journal, Personnel Psychology, Organization Science, Human Relations, and Human Resource Management Review. He is co-author of a textbook Teamwork and Group Dynamics. He teaches courses related to human resource management and work teams.

Stewart earned his BS in business administration and human resources from BYU, and his PhD in human resource management and organizational behavior from Arizona State University.



Scott Summers, assistant professor of accounting, joins the Marriott School after serving on the faculty of the University of Missouri–Columbia for

five years. Summers earned his doctoral degree from Texas A&M University in 1995 and his bachelor's and master's degrees from Brigham Young University in 1990. His teaching interests are in accounting information systems and systems analysis and design. His classroom performance in Missouri earned him the highest teaching award in the college of business last year. Summers's research interests have examined the social science aspects of the professional service industry, with current projects examining burnout, job fit, and self-efficacy.

He has also researched topics related to fraud detection. Summers has published in *Accounting Review*, *Advances in Accounting Education*, *CPA Journal*, and *Oil and Gas Tax Quarterly*.

He is married to the former Kelly Youngman and has eight children (five boys and three girls). As a family, they enjoy camping, waterskiing, and delivering cookies to neighbors most Sunday afternoons. Scott claims to enjoy the fine art of woodworking, although his wife says that he just collects tools.



Mark Zimbelman, assistant professor of accounting, is an accounting practitioner with five years experience as a public accountant and one year experience as a controller in indus-

try. He passed the CPA exam in 1985 on his first sitting and is a member of AICPA and the American Accounting Association.

His teaching interests include auditing and assurance services, which he has been teaching since he earned his doctorate from the University of Arizona in 1996. His research interests include understanding and improving decision making in accounting and auditing. Most recently he has focused his research on auditors' detection of financial statement fraud and has been published in



Top: Professor Larry Walters and Chairman Chen Zhen Ming at Xiaman University. Bottom: Walters with his class of graduate students in China.

the *Journal of Accounting Research*. Prior to joining Brigham Young University in June 1999, Zimbelman worked for three years at the University of Oklahoma, where he was awarded a teaching award and several fellowships.

Chinese Exchange

Seemingly small undertakings often result in new and important alliances. When a student was sent to the Marriott School's MPA program by the Chinese provincial government, just such an alliance was formed.

In May 1998, Larry Walters, associate professor of public management and former chair of the Romney Institute of Public Management, visited Xiaman University and initially created an ongoing exchange with the Marriott School. Located across the sea from Taiwan, Xiaman is the top national university in China. Meetings were held again in December 1998 to sign a formal "memorandum of understanding," said Walters, who became the first exchange scholar in May 1999.

The MPA program is new in China and offered only at the six top universities. Teaching policy analysis in English to twenty-five graduate students and three faculty members proved challenging and rewarding Walters explained. "Students are required to study English and must successfully pass a competency exam to enter the university, but they struggle with listening to and speaking the language.

Education in China is a competitive process. The students are bright and only a select few get a master's degree," said Walters.

He, his wife, Carol, and two of their children, Jessica (17) and Bethany (11), arrived to a warm reception and were hosted very well. Although, Walters added, "Our presence provided a dilemma for the university." In China educational facilities are different than in the U.S.; faculty, staff, and students live on campus. "Xiaman is located in an economic zone that leans toward the progressive, the leading edge—not where China is overall," observed Walters.

Their visit coincided with the embassy bombing, and although there were demonstrations expressing sincere anger, classes continued. "We never felt unsafe, but we did try to maintain a low profile. My students expressed that they did not hold me responsible," Walters said.

A five-minute ferry ride took them to an island claimed as a base for early Christian missionaries. No vehicles are allowed on the island, where people live much the same as they have for centuries. While enjoying a delicious meal, they attempted to master chopsticks—much to the amusement of people lined up at the window watching their efforts, who applauded their encouragement when food reached their mouths.

Walters believes change will come rapidly in China. "Instability is a great fear. They have a different ethic. They are less concerned about individual freedom than the community, family, and village—social stability is their prime objective. All religion is seen as destabilizing, but interest in religion is increasing."

The program is working. This fall Chen Zhen Ming, department chair of politics and administration at Xiaman University, will visit for one month to six weeks, and in spring 2000 Gloria Wheeler, professor of public management, will go to China for three months. Walters enjoyed his part in the exchange. "The students accept everything and implement everything—they are very hungry for what we teach here. They have limited resources, but they want more professionalism in government service."

Awards and Recognitions

Steve Albrecht, associate dean and Arthur
Andersen & Co. Alumni Professor, was recognized
as the outstanding educator in the nation by Beta
Alpha Psi, the student accounting fraternity.
Ray Andrus, professor of business management, has been honored as a Fulbright Senior
Scholar at the Belarusian State University.
Hal Heaton, professor of business management, received a \$5,000 Teaching Excellence
and Management Skills Awards from the BYU
Alumni Board.

Ned C. Hill, dean of the Marriott School, was selected as one of six judges to evaluate Utah companies that have the best business practices in strategic leadership, motivating and retaining employees, and exceeding customer expectations.

Keith Hunt, professor of business management, has been appointed executive secretary of the Association for Consumer Research.

Gary McKinnon, professor of business management, has been honored as a Fulbright Scholar at the Academy of Economic Studies in Muldova, a country located between Romania and the Ukraine.

Craig Merrill, assistant professor of finance, received a Graham and Dodd Award of Excellence from the Association of Investment Management and Research in recognition of an outstanding feature article in the *Financial Analysis Journal*.

Lee Radebaugh, professor of accounting, has been named chair of the Advisory Board of the International Section of the American



Accounting
Association.

James Stice,
professor of
accounting, has
been selected to
receive the
Distinguished
Teaching

Professorship and the Karl G. Maeser Excellence in Teaching Award. These awards honor faculty for outstanding teaching accomplishments. Stice is described as a master at involving his students and having fun with them. He is professional and polite, courteous yet demanding. He works hard to bring the latest developments and technologies into his classroom.

alumni news

Alumni and Friends

A warm welcome for the Marriott School can be found in almost every part of the world, as **W. Steve Albrecht**, associate dean, discovered last July. Albrecht met with alumni and friends in Taiwan to discuss their future participation as mentors, the organization of a management society, establishing internships, and faculty exchange opportunities.

His contacts in Taipei included Elder Liang, an Area Authority Seventy; Colin Kwok, MBA alumnus; Wang Lu-Pau, CES director; Christina Lin and David Seckler, both MAcc graduates and Albrecht's former students; Richard C. Holloman, BYU alumnus; and Nu-Ching and Mo-Li Chuang, both Marriott School undergraduate alumni.

Along with other leaders of the American Accounting Association, Albrecht visited with Taiwan's President Lee. Albrecht said, "We were on television. Latter-day Saints enjoy high respect in Taiwan, due in part to relationships established by President Ezra Taft Benson."

Journal Access

The Harold B. Lee Library currently offers 1,384 professional journals through the online library catalog. Journals are offered to off-campus users with occasional limitations imposed by publishers. The site may be accessed at www.lib.byu.edu/byline and journals located by choosing "genre/form" under the subject heading. Contact Keith_Stirling@byu.edu or by phone (801) 378-6687 for additional information, including details about obtaining passwords on a few restricted journals.

Lifetime E-mail

The Alumni Association is preparing to launch a lifetime, web-based e-mail address system that could be used by all BYU graduates. Michael Cunningham, manager of computer information and records at BYU, said the alumni accounts would work like the e-mail accounts issued to students. "Anyplace you can reach the web page, you can reach your e-mail."

With no fee, easy access, and the convenience of having the same address forever, the response to the e-mail services is expected to be huge. In the first six months after the site is launched, it is expected that thirty to fifty thousand people will set up e-mail accounts.

In return for advertising control, Millennial Star Network, Inc., a company owned by Deseret Management Corporation, has agreed to sponsor the cost of operations.

Alumni Board Meeting

Members of the school's Alumni Board enjoyed the changing fall leaves at Aspen Grove as part of fall meetings, 16–17 September. The two-day gathering include an orientation for new members, break-out sessions, the election of Vice President David Coppins, an address by Lee Perry, associate dean, and a trip to the stadium to support BYU Cougar football.

Students and board members had the opportunity to interact through mock career interviews, panel discussions, and a mentor lunch. **Bonnie Sorensen**, meeting coordinator, said, "These encounters with the alumni are very beneficial for the students."

Alumni Board meetings are held twice a year to coordinate committee efforts, work with students preparing to enter the business world, encourage excellence in teaching, and further develop the school's outreach efforts.

Class Notes

Byrne Hopkin, 1975 accounting graduate, has been named vice president and controller of Bonneville International Corporation. He has three

children and resides in Murray. Hopkin enjoys reading, gardening, woodworking, and restoring homes.

Forrest Carter, a 1976 MBA graduate, has worked over twenty years for EDS, a professional service company that works with a range of companies and governments to improve business performance. He holds the position of data architect, a technical consulting role he assumed after working as a senior systems engineer.

Immediately after graduating with his MBA, Carter moved to San Francisco and joined EDS, who at that time employed about 6,000 people. With additional training in the company, he relocated to Jacksonville, Florida, then back to San Francisco, where he decided to become a computer systems engineer. He served in technical and leadership positions, both formal and informal. In 1984, he relocated to Mechanicsburg, Pennsylvania, where he expanded his technical consulting role to his current position.

Since 1997, Carter has resided in Folsom, California, with his wife, JaNene. They have three children, now adults living throughout the country.

Jeffrey Williams, 1976 accounting graduate, obtained his JD degree from BYU in 1979. He has been practicing business-oriented law in Arizona for twenty years, featuring subspecialties in estate planning, tax, and international business.

T. Roger Peay exemplifies the entrepreneurial spirit and diversity of

Marriott School alumni. A 1985 MOB graduate, Peay is president and founder of T. R. Peay and Associates, a consulting firm that specializes in consulting and counseling family-owned businesses and business partnerships.



Peay's entrepreneurial vision began soon after earning his PhD in social psychology with an organizational emphasis from BYU in 1987. With Professor Gibb Dyer, he co-founded Dyer, Peay & Associates, an organizational development consulting firm providing services to client organizations to improve individual, group, and organizational effectiveness.

Consulting businesses nationwide is only part of Peay's endeavors. He is also founder and president of Golden Sage Real Estate and Development Co., where he has managed real estate development projects from the conception stage through all phases of development, totaling over \$30 million in sales since 1983.

Combining his background as a family therapist with his business experience and education, Peay assists family owned businesses and business partnerships work through sensitive and potentially explosive relationship issues. Much of his work focuses on succession planning and inherent difficulties in the transfer of power, leadership, and ownership, from one generation to the next. Peay helps his clients defuse emotionally laden situations and identify, separate, and obtain objectives.

Peay's office is located in Park City, Utah, where he resides with his wife, the former Susan Killpack. They are parents of five children.

Jeff Plowman has been promoted to partner at Deloitte & Touche and is currently working as the U.S. liaison to Deloitte & Touche in Mexico, serving multinational clients. He and his wife, Alyson, have three children. They enjoy the excitement and challenge of an international assignment, including learning Spanish.

Alan Tsoi has been promoted to tax partner in the Pricewaterhouse Coopers Beijing office. Upon graduation in 1990, Tsoi joined Coopers & Lybrand in Detroit. In 1994 he accepted an international assignment and moved to China. For the past four years he and his family have lived in Shanghai and Beijing. His wife, Paula, and their three children enjoy life in the Far East.

Tim Huval, a 1996 MPA graduate, has been named general manager of Gateway's Hampton, Virginia, facility. He will be responsible for coordinating operations and administrative team communications, managing the administrative budget, promoting community involvement,

and designing and executing employee programs for Gateway–Hampton.

Huval joined Gateway in August 1997 as a human resources manager and assisted in establishing the company's Salt Lake City operations. Before joining Gateway, he was director of industry training and development programs for the state of Utah and Salt Lake Community College. He has also served as a liaison to various Utah chambers of commerce and economic development organizations. He served on the board of directors for the Murray Chamber of Commerce, where he chaired the Business Advancement Council and was elected chairman of the board. He has also served on the Utah Information Technology Association Board of Trustees.

Steve Jenkins, a 1996 MBA graduate, understands what it means to give back to BYU. After completing a multimillion dollar business deal just three years after graduating, he returned to the Marriott School in 1999 to share his entrepreneur tips with students as part of the entrepreneurial lecture series. He advised students to follow their passions, "Doing what you love is more important than the money. The money will follow." He says he enjoys talking about entrepreneurial opportunities with young people, "It's a way of giving back to BYU." He also gives back to BYU in another way. He is a donor to the Center for Entrepreneurship, which mentors students interested in starting their own businesses. "I feel a responsibility to do something important with this money I have been blessed with," he says. His longterm goals include eventually returning to the Marriott School as faculty. "My dream has always been to earn a PhD and teach young entrepreneurs at BYU," he said.

Jenkins recently sold Winfiles.com, a company he started five years ago while still taking classes at the Marriott School. His success began with the purchase of a special preview version of Windows 95 for \$40. After coming up with a solution on how to use Windows 95 with the Internet, he made the instructions available online. The web site was used by people wanting to know how to use Windows 95 more efficiently and by

Jenkins to collect free or low-cost software to be downloaded off the Internet, called shareware. What began with thousands of hits a day grew to be a source for more than 17,000 shareware programs at the time of sale. Jenkins sold Winfiles.com to C-net, a large competitive web site offering shareware.

Jenkins resides in Seattle with his wife, Kay-dawn, and their daughter.

MANAGEMENT SOCIETY NEWS

Philadelphia Chapter

Philadelphia joins the ranks of more than fifty cities with established Management Society Chapters. This newly organized chapter has both an executive board and advisory board. Joseph E. Kerry, chapter president, has taken the advice of active chapters and developed the advisory board from outstanding LDS professionals in the community.

The board includes representatives from law, academia, management, and such notables as Andy Reid, head coach of the Philadelphia Eagles, and Vai Sikahema, sports anchor for WCAU-TV and a former BYU football star. The advisory board gives input on speakers, direction, service, and community contacts, while the executive board handles such things as the monthly activities, communication, and membership. Both boards are indispensable to a strong chapter.

Kerry said members of the chapter will "have the opportunity to participate in forums and lectures and a wide range of other activities throughout the year, including a golf tournament and banquet." One event members recently enjoyed was an evening symposium held Saturday, 6 November. Featured speaker W. Steve Albrecht, Marriott School associate dean, discussed business ethics and fraud.

Kerry encourages alumni to join what he promises will be "a dynamic organization dedicated to the career enhancement and personal development of its members." For more information about the Philadelphia Chapter, visit their web site at www.wurts.net/byu.

Management Society Update

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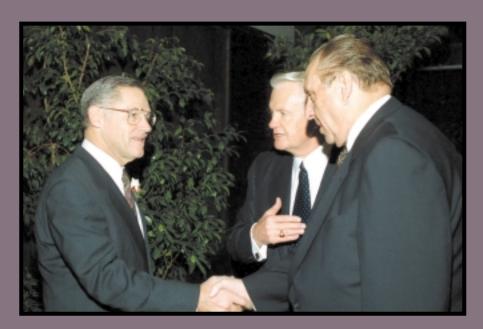
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Procter & Gamble Chairman John E. Pepper meets with President Thomas S. Monson and BYU President Merrill J. Bateman. Pepper received the Marriott School's 1999 International Executive of the Year Award for his company leadership, community involvement, and family commitment. Pepper told students, "I believe it is perilous to have different sets of values for different parts of your life."