

PAMPLIN

COLLEGE OF BUSINESS

FALL 2005

GE's David Calhoun on global business, leadership

Gainsharing boosts bottom line

Tyco VP: restoring trust

Virginia Tech
1872

Executive MBA program featured on Apple.com

Pamplin's executive MBA program was featured on Apple's web site as a *Profile in Success*. The company's education profiles series discusses how specific schools and universities use Apple technology to enhance learning.

The story discusses how Pamplin's executive MBA students use the iBook

U.K., and Italy ... We have been able to review critical lectures by videotaping them and transcribing them to DVD with iMovie and iDVD. We even podcast some of our class lectures for review while commuting during the week."

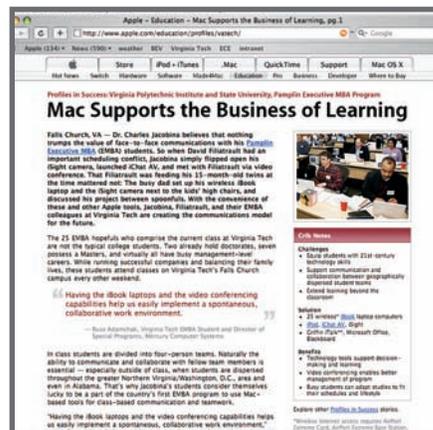
Schmitt, who has an M.S. in systems engineering and a Ph.D. in technology marketing and is principal business development manager of Lockheed Martin, says the video quality "makes having long-distance meetings seem like the person is right in front of you."

She appreciates the ease of saving and retrieving files. "I do not have to look through directories trying to remember where I saved my class assignments." As for the wireless network, she says, "I can easily connect at Virginia Tech or at home simply by turning on my computer. I do not have to change any configuration or network settings—it just understands my local router and I can start working. The Mac is light enough to carry around with me while on travel."

Executive MBA director Charles Jacobina, a longtime Mac user, is delighted with the publicity. To keep students even more connected with the program, Jacobina created a podcast on Apple's iTunes site this fall devoted to faculty presentations, announcements, and program updates.

The executive MBA feature aside, the Apple site also included a blurb about Pamplin's 2005 Distinguished Alumna Bridget Ryan Berman (BAD '82), who was vice president and chief operating officer of Apple's retail stores before leaving the company in August (see page 19). The blurb linked to the college's news release on the award.

See: "Mac Supports the Business of Learning" <http://www.apple.com/education/profiles/vatech/>



laptop, iPod, iSight videocamera, and iChat AV videoconferencing software. The MBA students work full-time while taking courses in the intensive, 18-month program at Virginia Tech's National Capital Region center in Falls Church.

Students Russ Adamchak and Sonia Schmitt are pleased with how the text, audio, and video tools enhance study-group collaboration and student-faculty communication.

Adamchak, who has a computer science degree from Boston College and is the programs and business development director at Mercury Computer Systems, says his study group conducts weekly iChat videoconferences from home. "I've kept pace with our coursework while traveling on business by videoconferencing from hotel rooms in Germany, the

U.S. News ranks Pamplin nationally

The Pamplin College of Business is ranked 40th overall among the country's undergraduate business programs, along with six other schools, and 24th among public universities, in *U.S. News and World Report's* 2006 annual college guide.

Its overall ranking puts the college in

the top 10 percent of the 458 U.S. undergraduate programs accredited by the Association to Advance Collegiate Schools of Business International.

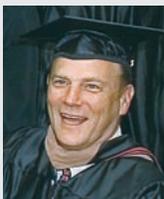
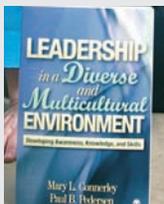
The business rankings are solely based on a *U.S. News and World Report* survey of deans and senior faculty at schools accredited by the AACSB International.

PAMPLIN magazine is published twice a year by the Pamplin College of Business (0209), Virginia Tech, Blacksburg, VA 24061; phone: (540) 231-6601; fax: (540) 231-4487; web: www.cob.vt.edu. E-mail address changes to cdjones@vt.edu. Email inquiries to sookhan@vt.edu. In this magazine, alumni, with some exceptions, are identified by degree and year it was received.

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Virginia Tech's nationally ranked Pamplin College of Business offers undergraduate and graduate programs in accounting and information systems, business information technology, economics, finance, hospitality and tourism management, management, and marketing. The college emphasizes the development of ethical values and leadership, technology, and international business skills. A member of its marketing faculty directs the interdisciplinary Sloan Foundation Forest Industries Center at Virginia Tech. The college's other centers focus on business leadership, electronic commerce, and organizational performance. The college is committed to serving business and society through the expertise of its faculty, alumni, and students. It is named in honor of Robert B. Pamplin (BAD '33), the former CEO of Georgia-Pacific, and his son, businessman and philanthropist Robert B. Pamplin Jr. (BAD '64).

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Dean chairs AACSB International

Pamplin College Dean Richard E. Sorensen was named chair of the board of directors of the Association to Advance Collegiate Schools of Business International in July. AACSB International is a nonprofit corporation that seeks to promote and improve higher education in business administration and management. Organized in 1916, it is the premier agency for accrediting bachelor's, master's, and doctoral degree programs in business administration and accounting.

Sorensen has a long record of service to the association, beginning in 1982 as a member of its government relations committee. He has also served on committees for standards, government relations, and initial, business, and continuing accreditation. As chair of the business accreditation committee, he led efforts to accredit more than 30 non-U.S. business programs.

In a message to AACSB International members, Sorensen said the organization aims to be a "thought leader" for business education worldwide. During the past three years, he said, AACSB International has made an extensive commitment to project its message on key issues and expand its advocacy role. It has spoken out in support of members' interests and to influence public perceptions on key management education issues.

AACSB's accreditation service, based

on an established peer review process, has long enhanced the quality of collegiate business education, Sorensen said. Over the years, it has expanded services to include accrediting professional development programs. Business schools around the world, he said, benefit from high quality research data through reports and surveys, and other member services.

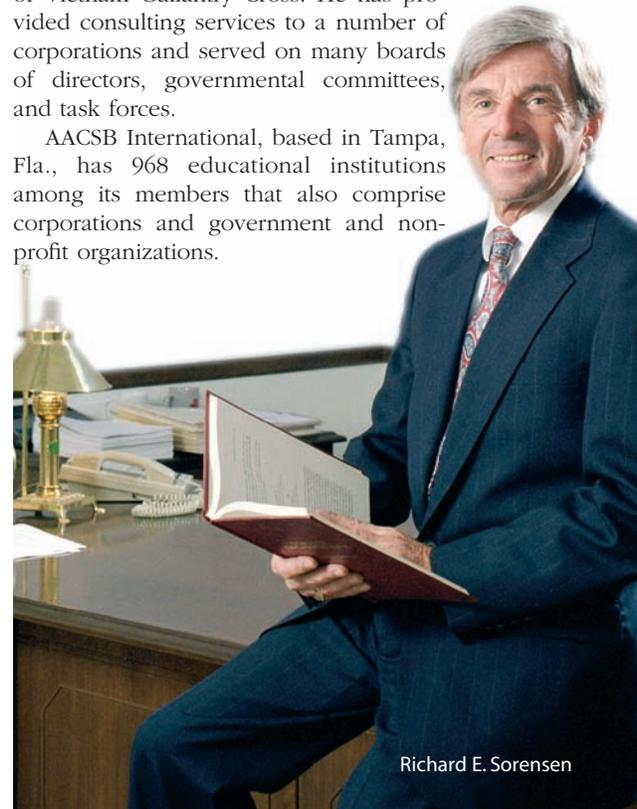
"While we will never lose sight of our core competency—accreditation—we will expand our reach by launching a more robust public communications program. The goal is to let a wider audience know about our work, our successes, our advocacy positions, and how business education contributes to the betterment of society as a whole."

A native of Staten Island, N.Y., Sorensen received a bachelor of science in electrical engineering from Brooklyn Polytechnic Institute (now Polytechnic University) and an MBA and a Ph.D. in management from New York University's Stern Graduate School of Business. Since July 1982, he has served as dean of the Pamplin College. His achievements include a \$70 million fund-raising program and a comprehensive strategic planning effort.

Sorensen was dean of the John Walker College of Business at Appalachian State University for nine years before he joined

Virginia Tech. He served as an airborne-ranger qualified officer with the U.S. Army Corps of Engineers in Vietnam, where he received the Bronze Star and the Republic of Vietnam Gallantry Cross. He has provided consulting services to a number of corporations and served on many boards of directors, governmental committees, and task forces.

AACSB International, based in Tampa, Fla., has 968 educational institutions among its members that also comprise corporations and government and nonprofit organizations.



Richard E. Sorensen

Look who's talking



Mary Matalin



James Carville



Alfred Defago



David L. Calhoun



Randy H. Thurman



Marta Brito Perez

James Carville and Mary Matalin, perhaps America's best known politically polarized couple, presented, "All's Fair: Love, War, and Politics," for the Cutchins Distinguished Lecture last March. The lecture is sponsored by the Virginia Tech Corps of Cadets Rice Center for Leader Development, which is based in the college. The center aims to educate students about leadership and prepare them to be leaders of integrity and ability. The center is named in honor of W. Thomas Rice (CE '34), a retired railroad industry executive and former rector of the board of visitors. The Cutchins Distinguished

Lecture series is named for the late Clifford A. Cutchins III (ACCT '44), a former bank chairman and rector of the board of visitors.

Former Swiss ambassador to the United States **Alfred Defago** discussed the difficult partnership between the United States and Europe. His talk last spring was part of the college's International Business and Culture guest lecture series.

The college hosted three Wachovia Distinguished Speakers last spring: GE vice chairman **David L. Calhoun** (ACCT '79), spoke on "Leadership in Today's Global Business Environment;" **Randy H.**

Thurman (ECON '71), chairman, president, and CEO of VIASYS Healthcare Inc., addressed "What Fighter Pilots and Entrepreneurs Have in Common;" and **Marta Brito Pérez**, associate director for human capital leadership and merit system accountability in the federal Office of Personnel Management, who discussed "Working for America: Diversity Matters."

The Wachovia lecture series is funded by a grant from Wachovia Bank.

Gainsharing boosts bottom line through organizational learning

Management programs designed to solicit and implement employees' productivity enhancing suggestions really can improve bottom-line performance, new research by management assistant professor Jeff Arthur shows. Such programs, Arthur says, do this by providing a mechanism to help organizations learn.

Arthur's study is based on nearly five years of monthly data on implemented employee suggestions and plant productivity at a Midwest auto parts plant following the launching of a gainsharing program. Gainsharing refers to group incentive compensation plans in which employees are encouraged to suggest ways to improve performance, and both management and employees share in the savings generated by these improvements.

Based on statistical analyses using an organizational learning curve formula, Arthur found that increases in the cumulative number of implemented employee suggestions were significantly associated with lower costs per unit at the plant. "Overall, unit costs decreased by an average of eight percent in the four-year period following the introduction of gainsharing, representing a net savings of more than \$9 million for the company and significant bonus payments for plant employees."

Gainsharing programs, he says, "may be especially promising as organizational learning mechanisms as they have the potential to address both ability (i.e., formal employee suggestion systems) and motivational aspects of learning in organizations."

One caveat for managers, however: Arthur finds the stock of cumulative employee suggestions generated with gainsharing also depreciates over time. This finding, he says, suggests that for managers to continue to reap the benefits of employee suggestions over time, they need to find ways to motivate employees to continue to develop and share their ideas at work. "Unless



Jeff Arthur

the pool of employee knowledge generated by these programs is continuously fed by a stream of new suggestions, it will become dried out fairly quickly and lose its potency."

Arthur's co-authored article, "Ramping up the organizational learning curve: Assessing the impact of deliberate learning on organizational performance under gainsharing," is scheduled to be published in the *Academy of Management Journal* in December.

The other January Effect

The "January effect," a stock market anomaly that has been known for many years, refers to large gains in prices of certain stocks at the beginning of the year. During the preceding December, investors sell stocks that have performed poorly during the year, in order to realize capital losses that can offset gains made on other stocks. If their net capital gains were reduced, their tax obligation would be correspondingly reduced. The selling pressure eases in the following month, often resulting in large price appreciations for these stocks.

New research by finance assistant professor Alexei Ovtchinnikov demonstrates that the month of January also has significant predictive ability for the stock mar-

ket's direction over the rest of the year. His study shows that when the change in value of the market's entire portfolio of assets available to investors—otherwise known as market return—in January was positive, the market return over the next 11 months averaged 14.8 percent.

"When the market return in January was negative, the market return over the next 11 months averaged 2.9 percent, giving rise to an economically significant spread of almost 12 percent."

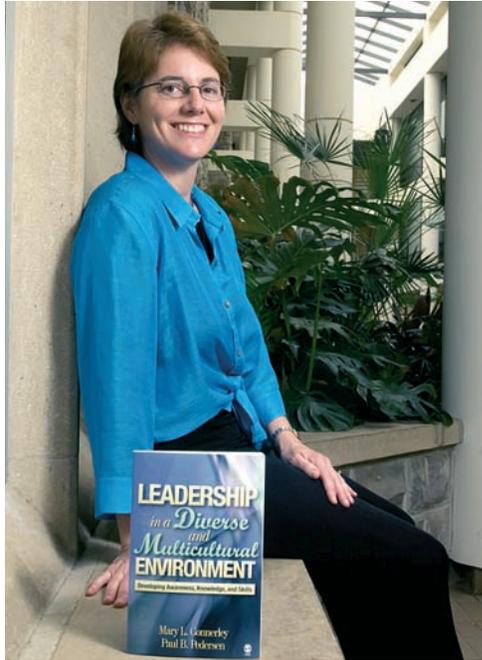
Ovtchinnikov says that although general public awareness of this effect goes back to at least 1973 (the earliest reference to it that he was able to find in popular press discussions), his work provides "systematic evidence of what appears to be a very

powerful predictor of stock market returns."

He will present a paper discussing his results at the 2006 annual meeting of the American Finance Association in Boston (appropriately in January) and will publish a co-authored article in a forthcoming *Journal of Financial Economics*.

His research, Ovtchinnikov says, shows that January's predictive ability "is evident across various assets and over various time periods." He focused on market returns for the 1940–2003 period but also examined data for the 1929–39 Great Depression decade and for an earlier, century-long period, 1825–1928. "Except for the Great Depression period, the 'other January effect' is clearly at work, showing up for

Multicultural mindfulness critical to personal, corporate success



Mary Connerley, associate professor of management, has co-authored a new book, *Leadership in a Diverse and Multicultural Environment*. She and her new book are featured in a longer story in the winter 2006 Virginia Tech *Research* magazine.

Multicultural competence, says management associate professor Mary Connerley, is essential for individual effectiveness and corporate competitiveness in today's diverse workplaces.

"No matter how highly skilled, well trained, or intelligent you are—if you are making culturally inappropriate assumptions, you will not be accurate in your assessment, meaningful in your understanding, or appropriate in your interactions in the workplace," she says.

Connerley, who has co-authored a new book, *Leadership in a Diverse and Multicultural Environment* (Sage, 2005), says culture influences our thoughts, words, and actions in ways that are often unrecognized and that can lead to misunderstandings, missed opportunities, and less than ideal outcomes."

Being multiculturally competent, she says, means being aware of the impact of different personal, organizational, or national cultures and having the skills and knowledge to work well with culturally different people.

Though multicultural competence is particularly important for leaders in an organization, Connerley says, all employees can "get more out of workplace relation-

ships by being more culturally mindful." It can improve "a person's decision-making ability by accounting for the many ways that culture influences different perceptions of the same solution."

Her new book, co-authored with multicultural counseling psychologist Paul Pedersen, advocates a culture-centered approach to leadership and training programs to develop multicultural awareness, knowledge, and skills, in that order. Counseling psychology, she says, is far ahead of the management field in the knowledge it has developed about multicultural training.

Her book discusses the three-step training model and such topics as white privilege, learning styles, identity models, and constructive conflict. Each chapter offers questions, exercises, and a "critical incident" for group discussion.

"Culture is a topic that is very difficult for leaders, or anyone for that matter, to deal with," Connerley says. "It is often easier to ignore it than to deal with its complexity." But doing so, she says, is like "driving down the highway and taking your hands off the steering wheel. You may have started out in the right direction, but the vehicle will quickly veer off in unintended directions."

the pre- and post-Depression period and for the overall 1825-2003 period." During the Great Depression period, however, the effect is reversed.

He adds that other months, previously found to have predictive ability, only "work" over the 1929-1939 time period.

Seeking explanations, he says the other January effect does not appear to be driven by investor sentiment or changes in macroeconomic fundamentals. "Thus, we are left with a puzzle—why does the effect exist? Answering this question can help us understand what drives security returns."

Some investors have sought to profit from the original January effect by waiting until that month, when prices are predictably higher, to sell losers instead of

selling in December, if they expect the stocks' price gains to be more than the cost of paying taxes a year earlier.

Are there also opportunities to profit from the other January effect? Ovtchinnikov is wary about issuing any recommendations for investors at large. His research, he says, shows the effect worked in the past, but he would "stop short of arguing that it will work in the future."

Still, he adds, he would not totally rule out practical implications. "Many anomalies have been documented in the asset pricing literature with enormous practical implications as well as questions for future research." For the other January effect, he says, "the historical evidence is quite suggestive."

Alexei Ovtchinnikov





David Calhoun

GE's Calhoun on leadership, global business, role of alumni

GE vice chairman David L. Calhoun (ACCT '79) returned to campus last spring as Virginia Tech's commencement speaker. Calhoun, who started work at GE right after he was graduated, joined senior management when he became president and CEO of GE Transportation Systems in 1995.

During the next decade, he served in a series of CEO positions at the company's lighting, reinsurance, aircraft engines, and transportation businesses. In July, he was named vice chairman, responsible for the company's Infrastructure unit, as part of a reorganization that regrouped GE's 11 businesses into six units.

During his May visit, Calhoun talked to *Pamplin* magazine about his career, leadership in a multicultural workplace, and being an involved alumnus.

When you graduated, you had the opportunity to go into public accounting with one of the Big Eight accounting firms. Why did you sign up with GE?

The accounting department had emphasized Big Eight as the way to go and all the recruiting was focused on the accounting profession. I had always wanted to go into a more diverse, industry application of accounting. I had to travel to Schenectady, New York, to find GE, because I knew they had one of the better industry training programs.

You started out as a member of GE's corporate audit staff, became manager of programs and

planning five years later, and later moved into positions with increasing responsibility. What helped you move up the ranks?

It has been an amazing ride. For one, you know luck always has some part to play in things like this. The first lucky break was that I started with a GE business that was in danger of going away, and, as a result, got responsibility and jobs I don't think I would've gotten. When you're in situations that are sort of in dire straits, people give you more responsibility—they're trying to cut back on costs—and so the young people just get lots to do. That's what happened to me—and it took great advantage of the fact that I like cost accounting. I ended up being the

go-to guy where, in my first two years, I otherwise wouldn't have been. So what I learned here at Virginia Tech and what I immediately applied there was perfect.

Once I did that, I found myself part of a system that always moved me before I was ready to move. It is a system that takes great interest in leadership development. Fortunately, I found myself in the right position early to benefit from it.

What other developments advanced your career?

Every now and then, I had to make a career decision. In one case, I realized I had no real experience with customers, a shortcoming that caused me great personal anxiety, particularly in light of my boss's desire to promote me quickly into business leadership. So, against the advice of my boss, I took a job—and a demotion—to work in sales. Never made a better career move in my life. My confidence grew and my anxiety abated.

At another period, I wanted to experience life in the developing world. I found myself envious of the resourcefulness and courage of GE executives who spent years in the developing areas—Southeast Asia or South America—with strange languages and business practices, different timelines and ways of getting things done. So I uprooted my family and took a job in Asia. I faced the unknown, made more than a few mistakes, and am better for it—and so is my family.

Both those situations gave me huge doses of confidence. That's when my career really took off, and I started moving to CEO jobs.

Where were you in Asia, and how long did you stay?

I was in Southeast Asia back in the early '90s. I moved my family—my wife and four kids—to Singapore. I traveled to China, Indonesia, Malaysia, Thailand...as far north as Japan, as far south as Australia and New Zealand. We were there for two



An involved alumnus

You're a member of the Pamplin Advisory Council, and you have returned to Virginia Tech several times during the past eight years to speak to our students on career and leadership issues. Why is this important to you?

With just about every issue of significance in the world—whether it is diversity, a geopolitical issue, outsourcing, the future of aerospace—it always comes down to education. Education is the key to unlocking all the innovation and productivity that exists in a diverse, inclusive workforce.

It's very natural for people like me to go back to their alma maters and make sure that we're all working on this together and that we're being heard. As you progress in your career, you take higher-level views and have more contacts that you can connect with on some of these issues.

Interaction with students, at least from my perspective, is pure therapy. The problem with gaining more and more experience is that you ask fewer and fewer questions. When you talk to students, they ask the real simple questions. Like "why do you do business in China?" and "what's in it for me if we do business in China?" They are not afraid to ask these questions, and they genuinely want to know the answers.

That's the therapy and that's the perspective that business leadership has to have. If we let our accumulated experiences narrow our perspectives—meaning, we think we already know the answers—then we are not as effective as we should be.

years. That was just as exciting a time as I can ever imagine

What do you see is next for you at GE?

I am going to do more at GE. We, as a company have an opportunity with our great infrastructure businesses—energy, oil and gas, water, transportation. We bring fundamental infrastructure products to the developing world. With the population growth that we foresee for the next century, this would be one of the great opportunities of anybody's lifetime: to help these developing countries move faster, and help the company grow inordi-

How else would you like to become involved with Virginia Tech?

The more time I can spend with student groups, the better. In terms of influence, I will continue to pursue this discussion on diversity and its importance to the success of Tech. It has to be good at this—it has to be great at it—and, hopefully, it is a subject I can help with, in terms of both influence and support and commitment. At the same time, I offer a great "laboratory" that I reside in at GE. As they continue to advance the business curriculum, I would love for them to continue to take advantage of the GE laboratory. And I think Dean Sorensen does a terrific job of leveraging that.

What advice do you have for our students?

Self-confidence is everything, and it is not something anybody can teach you. Everybody has anxieties; trying to overcome them by virtue of experience or learning—that is the secret. Because when you are confident, everybody knows it. When you are comfortable with yourself, people are comfortable with you. When you are confident, you are free to make the career decisions you want to make, as opposed to other people making them for you or feeling pressured to hang around when you do not really want to. So my advice is, always know where your sources of self-confidence are; know that you've got to make them better. Know where those anxieties are that get in the way, and make sure you're doing something to repair them.

nately quickly in markets I am familiar with.

What do you enjoy most about your job?

I learn something new every day. Been that way since the first day I joined. A day does not go by where I don't have a lot more questions than I have answers.

Like least?

It's the time away from family. I travel nonstop. Our customers are everywhere in the world. When they buy what we sell, it's usually the biggest decision of their lives, and so it requires me to be there, representing our entire business to

Education and multicultural skills

In what ways did Virginia Tech educate you well?

I have always believed I graduated as a well-trained accountant and, if I had wanted to do public accounting, I could have. I wanted to work on the industry side and proved to myself that I could do the job based on what I learned at Tech. So I feel that, technically, I was very well prepared.

Were there ways in which we could have prepared you better, things you wish you had known?

I would not necessarily single out Virginia Tech, but the times did not prepare people for the importance of inclusion and diversity. And in my view, there is no better environment to promote inclusion and diversity than on a college campus. To me, that's just a subject that ought to be front and center for everybody—faculty, school leadership, students.

That subject is one where I was not as prepared as I would have liked to have been. I don't think I walked out into industry with a thirst or a hunger to go seek out diverse people and to learn about them. I allowed myself to be isolated in that sense, and that turned out to be a big mistake. It really was not until I moved to Asia that this all came home for me. Once you understand just how big a deal it is and how important it is to the world and to our businesses and to our own personal development—that's when the lights go on. I wish I had started that process 10 years earlier.

We are increasingly working in global organizations and multicultural workplaces, which demand multicultural knowledge and skills. How do you develop this expertise?

The academic community and others have built some wonderful tools to help folks of diverse orientations learn about each other's backgrounds and what they bring to a situation. Practicing those tools is very important, because I haven't met anybody yet who's great right out of the chute.

How do you practice multicultural skills as a leader at GE?

We are always launching new initiatives in the company. The first day of any launch, you assemble team members. If you're smart, you'll have a diverse group of people—diverse in terms of discipline,



geographic origin, diverse in every respect. And on that first day, we use team-building exercises, tools that are used to explain what we're bringing to the table. We try to do that on the first day because, in my view, if you do it even a week late, everybody's already tried to figure out the other team members. They've already prescribed their behaviors, and eventually, it becomes a hurdle you have to overcome. And that's hard to do.

If, on day one, you let everybody know that diversity and inclusion are important to the way we're going to execute our jobs—everyone has a chance to talk about why they come at this the way they do—all of a sudden, the barriers are way down and the setting is right to really develop an initiative the right way, with everybody's oar in the water. So, yeah, we practice it and practice it, literally every day.

Here on campus, we have had some incidents and developments in recent years that have been counter to the university's desire to be a diverse and inclusive place. What have been your thoughts and responses?

I have had fairly extensive discussions with university administrators on this subject. And I am convinced that they are serious about the subject and serious about improving. But I am convinced that this administration knows exactly what the issue is, and they're very serious about doing something about it and are.

convince them that we're behind them.

Job and family—it's becoming a tougher and tougher balancing act. It's one that I work on and I think I do fairly well. But it's hard; you have to stay on it.

You've been at GE for 26 years now. Why have you chosen to stay? Is it unusual to remain with one company for so long?

Yes, it is—very unusual. I really believe I'm fortunate. This "laboratory" that I happen to work in—who else has it? I have now participated in the materials industry, financial services industry, rail,

aviation, consumer products. And in every one of those positions, I did it from a leadership perspective. If I were in one industry, in one company, working in a monolithic approach, I'm certain I would have made more than one career move. I'm fortunate that I'm in a company that lets me experience and lead diverse businesses without having to make that move.

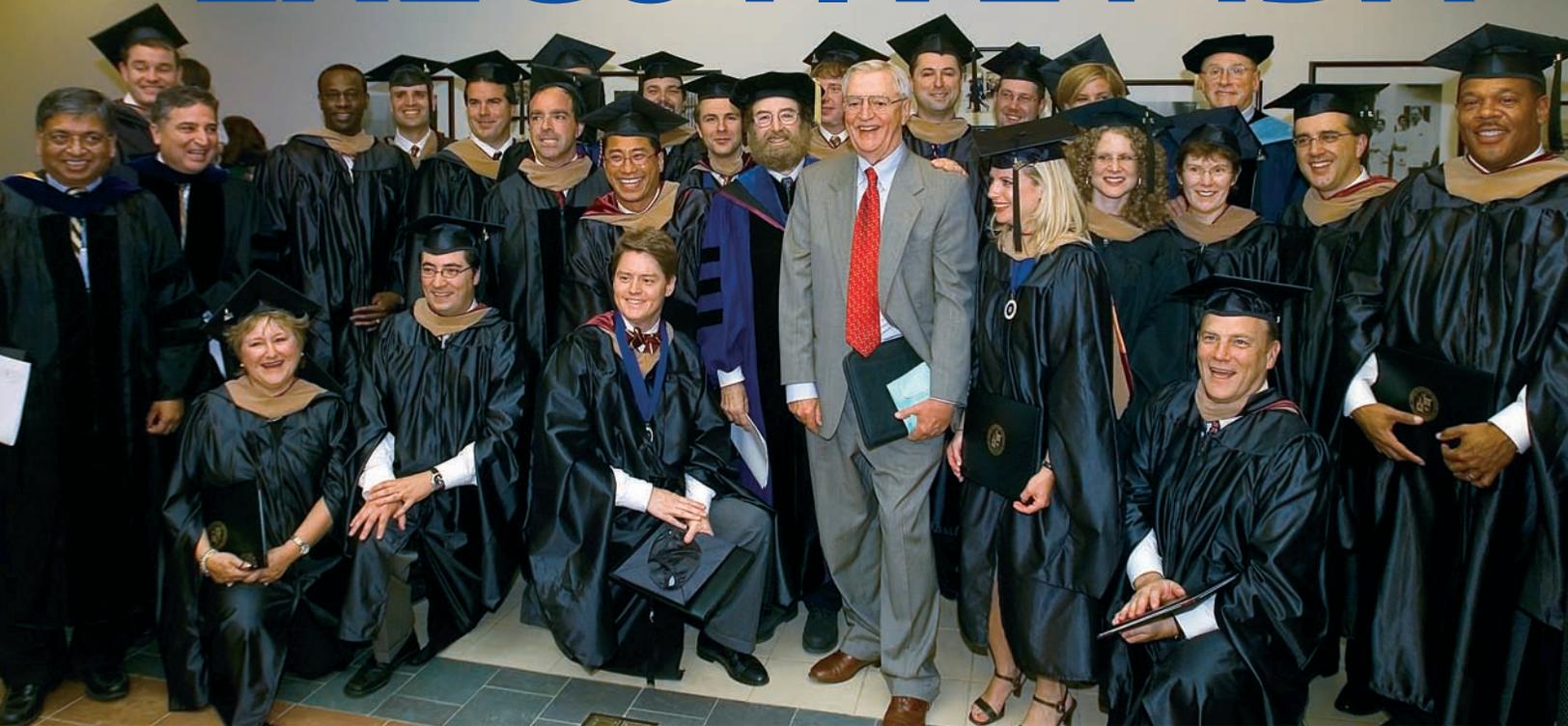
The things I love about GE are its diversity and its commitment to leadership development. I think there's more for me to do at GE and I think GE sees it that way. So I'm just not done. And yes, I have had opportunities to pursue some great

leadership positions in other companies and I hope that opportunity never, never goes away. But you know, when I think about what motivates me every morning, I'm no less motivated today than the day I started. If I thought for a minute that was waning, I'd go do one of those things.

You never say never. But for now, life's good. My family's happy. I've got exactly the right balance in my life, and that's the way we're going to keep it.

Read Calboun's commencement address at: <http://www.unirel.vt.edu/news/commencement05.html>

EXECUTIVE MBA



The first cohort of executive MBA students was graduated last spring. Students and faculty posed with graduation speaker Walter Mondale.

Exceeding Expectations

Chris Barker works for the Washington Metropolitan Area Transit Authority. Her job, as director of rail reliability and technical services, is to improve rail transit services for area commuters who make about a million bus and subway trips daily.

Barker has an M.S. in environmental science and engineering from Virginia Tech and 20-plus years of work experience in the public and private sectors. She was ready to complete the MBA that she had started years ago at Virginia Tech's Blacksburg campus but did not want to interrupt her thriving career at the transit authority. So she began researching schools in the metro D.C. area.

Bob Enright, also a seasoned professional, has more than two decades in sales and marketing managing large, complex technology-based projects. A sales director at Mercury Computer Systems, he previously worked at Motorola and Sun

Microsystems. Enright, who has an undergraduate business degree, felt he needed more formal education to advance professionally.

David Filiatrault, a director of finance and portfolio technologies at Fannie Mae, had worked at AMS and a tech startup before founding a business and technology consulting firm. A computer science graduate of the Rochester Institute of Technology, Filiatrault felt he had strong technical and leadership skills, but wanted to "fill out my business and management skills to continue my career growth."

All three Washington-area professionals chose to enroll in Pamplin's executive MBA program, offered at Virginia Tech's center in Falls Church. Barker, who, with Enright, was in the inaugural class that graduated in June, admits feeling "cautiously optimistic" at first about the brand-new program (launched in February 2004). But, "after attending the informa-

tion session and meeting my prospective classmates and faculty, I knew I had a match. My instincts were accurate: the curriculum was timely, innovative, and directly applicable to my work."

Barker is particularly articulate about the program's learning opportunities and its impact on her career. The courses have not only enhanced the way she approaches job situations and makes decisions, she declares, they have also broadened her perspective and boosted her self-confidence.

"I really can't say enough about the exchange of ideas among the students—we really learned from each other. The program exceeded my expectations."

Filiatrault feels that some of the course material has already paid off in the weeks after he began classes with the second cohort this February.

"In March, an opportunity came up to interview for a director position in my

company's finance group, which was in a different division. During my interviews, I used my new knowledge of finance and accounting to show what I had already learned, as well as my ability to learn quickly—which was important as the position was responsible for accounting applications, and I had never worked on these before."

The program moved at such a brisk pace, he says, that he started and finished the accounting course before starting his new job. "I was able to ask the professor lots of questions about internal controls, knowledge of which I've already used on the job."

Enright has similar happy news: since completing the program, he has been promoted and assigned specific projects that leverage the knowledge attained in the program.

All this is music to Charles Jacobina's ears. As the program's executive director, Jacobina is keenly aware of the importance of making the venture a success. "The Washington metro area is full of good executive MBA schools with a variety of academic 'flavors,'" he says. "We came in years after other schools had established a solid presence in this area."

The Pamplin College, he says, did the right thing by choosing to focus its executive MBA curriculum on high-growth industries, leadership, and globalization, and leveraging Virginia Tech's reputation as a leader in technology. "We are already becoming known as an innovative and creative program."

A demanding bunch

Executive MBA students, he says, are a demanding bunch. "They're successful, experienced professionals who are ready to move up in their careers and are seeking qualifications that will differentiate them."

Many "techies," he says, aspire to senior management positions but feel constrained by their narrowly technical backgrounds. "Those in the military who are transitioning to the private sector may need to translate their current skills set for a different organizational culture. If they stay in the military, an executive MBA allows them to feel better equipped to work with private contractors. A director of a non-profit benefits tremendously from a for-profit corporate perspective."

Jacobina carefully reviews applications to ensure that students in a cohort find themselves in "a well-connected, accomplished group of peers."

The executive MBA, however, is not

everyone. It is a rigorous program that demands not only a single-minded commitment from those who sign up, Jacobina says, but also the strong support of their employers and families. "Managing full-time work and study along with family and social responsibilities can be daunting."

Students are expected to attend classes regularly, complete all required coursework and assignments, exchange ideas with faculty and classmates, and keep constantly in touch with each other for group projects and other team activities.

It was tough, Barker recalls, "particularly when most of us routinely worked

"I really can't say enough about the exchange of ideas among the students—we really learned from each other."

—Chris Barker

more than 10 hours daily at our jobs. Completing the coursework and assignments was a major stretch!"

Filiatrault, dad to nearly two-year old twins, confesses, "I don't sleep much anymore." He watches "no more than a hour of TV a week" and has "a very supportive wife."

Faculty fans

The program's fans are not only its students and alumni. Those who teach the courses—whom students like Barker praise for being "outstanding teachers" who made a "conscious effort to ensure that assignments were pertinent and value-adding"—are also bowled over by their experience.

Veteran faculty members like finance professor Raman Kumar—an award-winning teacher—and accounting and information systems associate professor Jim Yardley—who has worked at length in Ethiopia, helping to develop a decentralized tax accounting system—discovered a few surprises in teaching this new group of students.

Kumar found that students in his "Financial Modeling and Corporate Finance" class were aware of the importance and nature of corporate financial decisions. But the non-financial background of most of them required him to cover the fundamentals in sufficient detail before assigning decision-making exercises—all in a period of 5-6 weeks compared to the

more typical 15 weeks for an undergraduate or regular MBA course.

He likes to pace the introduction of increasingly complex topics, Kumar adds, but "the executive MBA students wanted to discuss each issue in its full complexity right from the beginning!"

Teaching them was enormously satisfying and enjoyable, he says. "Given their experience and maturity, discussions on such current issues as China's exchange rate policy and its implications were on a significantly higher plane than in classes with younger students."

Yardley regretted his decision as soon as he agreed to teach in the executive MBA program. "What was I thinking? Teach accounting for seven hours over two days to ambitious executives for three weekends? What shape would the group be in after spending all week working in high-pressure jobs?"

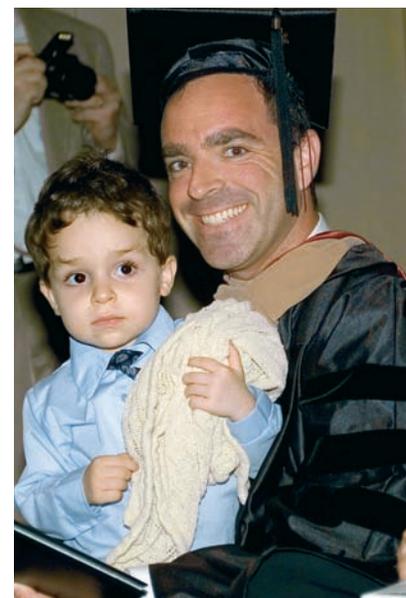
Would they insist on information that they could use Monday morning, he further wondered. "Would their minds be on their families and the time they were giving up? What could I do to make that sacrifice worthwhile?"

When he stepped into the classroom for the first time, he couldn't help noticing how tired everyone looked. "It was six o'clock on a Friday evening, and they already had a three-hour class after a half-day of work," recalls Yardley.

But the class got under way—and "the group came alive, the weariness replaced with a spark ... The students displayed a desire to learn, a humor, a willingness to share, and an enthusiasm that created the right atmosphere for a great teaching experience."

He and Kumar agree: the learning was two-way. While several students told Kumar at course end that they could use their new skills and knowledge in their jobs immediately, he himself, as a result of the classroom discussions, had "gained insights into the financial practices of some of these firms."

Yardley says: "I only hope the class members learned as much as I did."



Lee Allentuck celebrates graduation with his son.

Tyco: Rebuilding

TRUST

Make sure you have a firm grasp on your personal values,” the man in the dark gray suit advised Pamplin students last spring. “What are the values and principles that are not negotiable in your life? Write them down.

“In exploring career opportunities, ask recruiters: ‘What are your organization’s values? How does your company leadership live those values?’ Then ask yourself, ‘how do these answers compare with my personal values?’”

The speaker was Tyco International’s senior vice president of corporate governance Eric Pillmore; the event was the college’s 15th annual Conference on Business Ethics; the subject—“Tyco: restoring trust in the corporate world and related lessons learned.”

Pillmore discussed Tyco’s swift efforts to clean house three years ago following the resignation of ex-CEO Dennis Kozlowski (who was convicted in June, with Tyco’s former chief financial officer, on multiple counts of looting the company of hundreds of millions of dollars).

Wide-ranging reforms were made in personnel, governance structure, and corporate compliance. The company’s former board of directors appointed a new CEO, Ed Breen, who, over the course of a

year, replaced the entire corporate senior management team and secured the resignation of the board of directors, enabling a completely new board to be elected.

Among the personnel changes were newly created governance positions, including Pillmore’s. Pillmore helped design Tyco’s corporate compliance and ethics program, and he co-chairs a committee that oversees it.

His position reports to the chair of the board’s nominating and governance committee and, secondarily, on a “dotted line,” to the CEO. Two other new positions, corporate ombudsman and vice president of corporate audit, were also

“There’s such a wealth of information in this living case study to share ... People can learn from us...”

made direct reports to the board. “This unique structure,” he said, “where the head of internal auditing, the ombudsman, and I report directly to the board, creates a web of accountability around Ed.” These and other reforms in gover-

nance structure, he said, were aimed at creating a strong system of checks and balances.

CEO Breen also realigned reporting responsibilities in the finance and legal departments. “For example, all business segment CFOs report directly to the corporate CFO instead of the segment presidents, and all segment general counsels report directly to Tyco’s general counsel instead of the segment presidents.”

These changes, Pillmore said, “permit the corporate leadership to have greater insight into the operations of the business units and increase the likelihood that accountants and lawyers across the company will act as ethical leaders and disclose any behavior they perceive to violate law or sound business practices.”

Tyco identified four overarching values—integrity, excellence, teamwork, and accountability; redefined expectations of performance; and developed evaluation and compensation programs that support these values. The values were “mapped,” or linked, to nine desired employee “behaviors.” Job-specific behavior expectations were created and incorporated into performance goals, and performance reviews focused on behaviors as well as financial results. New policies, manuals,



Eric Pillmore describes Tyco's experiences in restoring trust. He was the featured speaker at Pamplin's 15th annual Conference on Business Ethics, co-sponsored by the college, the Department of Management, and the Business Leadership Center.

and training programs were developed, including the *Guide to Ethical Conduct*, printed in nine languages and distributed worldwide.

"Behaviors help to define performance expectations for employees by reinforcing the importance of how we get results," Pillmore said. "They create a common language and measurement system because whatever is emphasized, measured, and rewarded—that's what people do, and that's what they keep getting better at doing. Behaviors ultimately help us to differentiate performance, as we have found that people who use these behaviors tend to produce better results."

The behavior expectations vary according to job position, Pillmore said, with senior leaders accountable to higher standards. Looking at "integrity," for example, an employee at the "individual contributor" level exemplifies this value by behaving as "a direct, truthful individ-

ual." The employee "keeps confidences, admits mistakes, and doesn't misrepresent himself or herself for personal gain."

Higher up, the behavior expectations of a manager with respect to integrity are: "models the behaviors that are expected of others, presents the unvarnished truth in an appropriate and helpful manner, keeps commitments." And at the top level, the behavior expectations of an executive are: "widely trusted in the organization, demands integrity in others, and takes decisive action when integrity is compromised."

Headquartered in Princeton, N.J., Tyco is a global diversified manufacturing and service company and a leading provider of electronic components, fire and security products, medical devices, packaging plastics and adhesives, and industrial valves and controls.

Tyco's five major business segments are currently "pretty healthy," Pillmore

said. "We were able to move fast enough. If we hadn't moved at the pace we did in the first few months, we would've gone bankrupt—it was a company that could very easily have gone under. Today, it is thriving, with \$41 billion in total net revenues. This is a significant opportunity to learn from the past."

During his campus visit, Pillmore also met with management faculty to discuss Tyco and how its experience can be used in classroom teaching. As part of conference activities, faculty members who teach ethics or business strategy used a case study on the company and a *Harvard Business Review* article that Pillmore wrote ("How We're Fixing Up Tyco") in their class discussions before or after the lecture.

Asked about the continuing debate over whether and how ethics should be taught in business schools, Pillmore said: "I'm a strong proponent of teaching ethics in business schools, but it has to be integrated into the courses. I don't favor 'ethics classes.' I'm a strong believer that people's ethical outlook can be changed by an ethics infused curriculum—because while there are always people bent on evil, there are also people in the middle, people on the bubble, who can be swayed, who can be tempted."

In his view, the major issue for universities is that "accounting graduates don't understand how to evaluate internal controls in a company. They understand accounting. They can't tell you what controls are there so a fraud can't occur. We need to teach leadership, not just financials."

Pillmore earned a bachelor's degree in business administration in 1975 from the University of New Mexico (his wife Pam and son Brian earned degrees at Virginia Tech). He previously worked in senior management positions at Multilink Technology Corporation, General Instrument Corporation, and GE. He also served in the U.S. Navy as an officer in the Western Pacific and as an auditor with the Naval Audit Service in Washington, D.C.

"I have never made a better decision in my career," he says, in reference to his decision to join Tyco. Going on the road to talk to the company's employees and to high school and college students about Tyco's renewed attention to governance and ethics is something he greatly enjoys.

"There's such a wealth of information in this living case study to share. Sharing what we've seen and learned can only help Tyco's image. People can learn from us—that's why I'm doing this."

An MBA at the NBA

Jen DeSaegher (MBA '01) has borrowed a vacuum cleaner and a phone from Eli Manning and loaned him ice and sugar. The New York Giants quarterback became her next-door neighbor last fall when DeSaegher moved to Hoboken, N.J., after receiving a promotion at the National Basketball Association.

DeSaegher, who had been working in Roanoke at the NBA's minor league, the National Basketball Development League, was appointed as one of the NBA's national finance directors. She worked in the league's corporate finance offices in Secaucus, N.J.

"My job entailed a vast array of duties. Some of the highlights were being able to work on the collective bargaining agreement, having a central role in the expansion of the NBDL, sending weekly game attendance reports to Commissioner David Stern, and developing and directing the reporting system for the entire NBDL."

The job also offered plenty of perks: free tickets to games, free merchandise, opportunities to work at the All-Star game and attend the draft. But the best part, she says, "was playing a key role in creating a business unit of the NBA and watching it grow."

Nevertheless, DeSaegher, who describes herself as "much more of a designer and builder than a maintainer," left the position in June to direct financial operations at Southwest Basketball in Fort Worth, Texas. "The NBA is franchising its minor league teams to other private owners rather than wholly owning and operating them. So, I am now directing the financial operations of four new teams. It is exciting because these teams are starting from scratch. I did this for

the NBA four years ago, so being able to lead the group this time around is very rewarding."

It is all a long way from Goldman Sachs, where DeSaegher had landed a coveted and hard-won financial analyst job in 1998, after earning a finance degree from Palm Beach Atlantic College.

But DeSaegher and Wall Street parted ways after just six months. "I was not a good fit for such a buttoned-up world. I found life there to be a little too structured for my liking, and I was not crazy about working at such a huge corporation."

Deciding that she wanted to teach at a community college, DeSaegher came to Pamplin to earn an MBA. She taught finance as an adjunct instructor at New River Community College during her studies, but, she says, as graduation drew near, the state was cutting back on higher education funding.

While reevaluating her plans, she learned that the NBA would be launching a minor league team in Roanoke. DeSaegher, who had played basketball on a full scholarship as an undergraduate, had met some WNBA finance officers during her short-lived stay at Goldman Sachs. She sent off a resumé to one of her contacts and received "an offer to start work the very next week."

She was with the NBA for most of the past four years. Her current job at Southwest Basketball, DeSaegher says, has a "huge" teaching aspect.

"I'm working with teams to help them understand their arena contracts, revenue generation, ticket sales, and profit/loss reporting. I'm helping to guide them to a break-even and potentially profitable business model.

"The reward is seeing the hard work come to fruition. The down side is that sports is a super-specialized market, and it is extremely tedious to teach the minor league basketball business to former sports professionals."

Asked whether she considered her career path nontraditional, DeSaegher says "finance is finance—but doing it against the backdrop of a coliseum with Sponge Bob Square-pants performing at half-time is definitely more my style than in an environment where suits and the *Wall Street Journal* are the daily norm."



George Nolen

Siemens CEO joins Tech board

George Nolen (MKTG '78), president and chief executive officer of Siemens Corporation, was appointed to Tech's board of visitors by Governor Mark Warner, effective July 1.

Nolen, of Centreville, heads a 70,000-employee company with \$16.6 billion in sales that represents more than 20 percent of the firm's global revenues. Its U.S. corporate headquarters are in New York City. Siemens has businesses in healthcare technology, automation and controls, power generation and transmission, lighting, information and communications, transportation, and building and water technologies.

Joining Siemens in 1982 as a member of the sales force, Nolen went on to serve as a senior vice president of Siemens Business Communications Systems and then as president and CEO of the enterprise networks and information and communication networks units before being appointed to lead the corporation.

He is a member of The Business Roundtable and serves on its Security Task Force in Washington, D.C. He is a board member of the U.S. Chamber of Commerce and represents Siemens with the Partnership for New York City. Nolen and his wife, Michele, support various children's organizations and youth sports programs.



Jen DeSaegher



Selling raisins around the world

As international sales director of Sun-Maid, Tomo Naito (MBA '96) works with the company's overseas business customers to promote sales of its raisins. "That may mean meeting importers' clients—our end users—working with them on new product concepts, and coming up with effective marketing plans," he says.

A native of Japan, Naito had originally planned to take over his parents' language-school business after graduating from Virginia Tech. But, he changed his mind after working for a few years in the United States and growing accustomed to life and work in his adopted country. "The fun thing about the job is meeting people and learning how various companies market our products—each company takes a different approach. I have found that business is more of an art than a science."

He travels abroad six-to-eight times a year, for about two weeks at a time. Since joining Sun-Maid in February, he has been to China, Japan, the Philippines, Hong

Kong, Singapore, and Malaysia. The company is headquartered in Kingsburg, Calif., just south of Fresno, where Naito and his wife live.

Naito, who spent the previous eight years at a Maryland company that exports ingredients to confectionery and beverage companies in East Asia, says he is still adjusting to his new surroundings.

"I used to work in downtown Baltimore, and now I work in a small town. It is hot! The temperature sometimes exceeds 105 degrees in the summer, which, I'm told, continues on until September. But we can escape the heat by driving a few hours to the coast or to nearby national parks."

His favorite Sun-Maid product is Golden raisins. They're made from the same Thompson seedless grapes as regular raisins, but are dried with a sulfite preservative that prevents darkening.

"Compared to regular raisins, the Golden raisins are a little tart," he says. "Try them sometime. Of course, I expect you to buy only Sun-Maid."

Tomo Naito's new job is promoting worldwide sales of Sun-Maid raisins. He enjoys working with overseas importers and their different approaches to marketing the same product in different regions.

Robert B. Pamplin Jr. receives Wilson Award



Robert B. Pamplin Jr. has been awarded the prestigious 2005 Woodrow Wilson Award for Corporate Citizenship.

Businessman and philanthropist Robert B. Pamplin Jr. (BAD '64) has received the 2005 Woodrow Wilson Award for Corporate Citizenship.

The award, given by the Woodrow Wilson International Center for Scholars in Washington, D.C., is conferred on "executives who, by their examples and their business practices, have shown a deep concern for the common good beyond the bottom line."

Recipients recognize the role they can play in improving society in general, while at the same time advancing the long-term interests of their firms, employees, and shareholders." Previous honorees include AOL Time Warner's Ted Turner and Steve Case.

Pamplin Jr. is the chairman, president, and CEO of the R.B. Pamplin Corporation of Portland, Ore., a family owned company with annual sales of nearly \$700 million. He and his father, Robert B. Pamplin (BAD '33) are the namesakes of the col-

lege, which has received more than \$22 million in gifts and pledges from them.

A minister and author of 13 books, including two book-of-the-month club selections, Pamplin Jr. has earned eight degrees, including two doctorates. He founded the *Portland Tribune* newspaper and Columbia Empire Farms, and has served on presidential and state commissions and as chairman of the board of trustees for three colleges.

He has received numerous honorary degrees and national awards for his philanthropy and business leadership, including the Distinguished Leadership Medal from the Freedoms Foundation at Valley Forge, the National Caring Award from the Caring Institute, the Herman W. Lay Memorial Award for being the outstanding entrepreneur of the year, and America's Outstanding Individual Philanthropist by the Association of Fundraising Professionals.

WINNING Alexandria businesses

A six-year, joint initiative of Pamplin's MBA program in the National Capital Region and the Alexandria Small Business Development Center (SBDC) has teamed MBA students and entrepreneurs with winning results.

"This partnership is practical and a winner for everyone involved—individual businesses, our MBA students, and the university. It is a great way for Virginia Tech to reach out to the community and put its motto, 'that I may serve,' into action," said Barbara Hoopes, an associate professor of business information technology who pioneered the program with Bill Reagan, executive director of Alexandria SBDC.

Teams of two to four students tackle issues that include operations strategy and competitiveness, quality concepts, product and service design, process planning and technology, facility location and layout, forecasting, capacity planning, inventory and project management, and marketing. Hoopes said that while many students come to the MBA program focused on big business, "the experience of working with entrepreneurs often has them looking at other career options."

About 18 businesses have participated



(Left to right) Wendy Costello (MBA '04); Adela Skenderasi, current student; Ken Lopez, president and CEO, Animators at Law; and Aamod Bhave (MBA '04) discuss marketing strategies for the firm.

in the program, from restaurants to retail, publishing, education, and professional service firms. Partnerships last 10-12 weeks during a semester and partially fulfill student requirements for an MBA course.

"The students function as consultants," said Reagan. "And the business owners really like the idea of having them on board to offer a new, fresh perspective to their business operations."

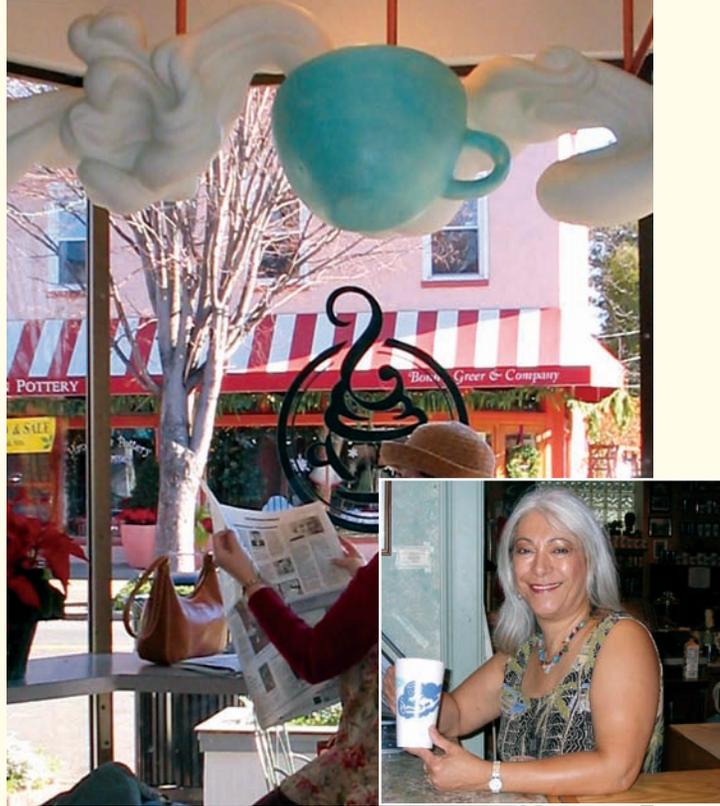
Alexandria Guide

Mike Geissinger, editor and publisher of *Alexandria Guide*, charged one team with developing an expanded distribution plan for the magazine. The initial idea was to employ a web-based marketing channel. However, after discussion and research, the students suggested that an expanded and more aggressive distribution of the printed copy would be much more valuable. "I am continuing to implement their plan as funds and personnel permit," he said.

St. Elmo's Coffee Pub

Another team helped Nora Partlow, owner of St. Elmo's Coffee Pub, to develop and implement an inventory system, using a newly purchased point-of-sale system. "The students' knowledge base was extremely valuable; they were able to provide great insight as to how the system could maximize our capability," Partlow said. "The result was a considerable cost savings for St. Elmo's."

Christie Kaefer, who worked with Partlow, said she enjoyed having a real business to work on. "It is so much more beneficial to have access to the owner," she said, pointing out that in a case



Nora Partlow (inset), owner of St. Elmo's Coffee Pub, enjoyed considerable cost savings from an inventory systems developed by MBA students.

study, "you usually cannot get through to anyone at that company to get answers to questions or get additional data you need for analysis."

Animators at Law

Animators at Law, which provides trial exhibits, animation, graphics, and jury research for three-quarters of the country's largest law firms, has benefited from the partnership for a number of years. President and CEO Ken Lopez said he's found that "looking at problems through a different, unbiased lens allows the students to come up with new, thought provoking ideas and recommendations."

Students have helped Lopez improve various aspects of the business, including office space use, marketing and growth strategies, and technology use.

"Working with Animators gave me a better perspective on how companies really use the type of structure analysis we learn in MBA classes," said David Smiley. "I also learned that the business climate changes quickly, and a good business has to keep an eye on the horizon to adapt and profit from those changes."

Hoopes and Reagan hope to expand the partnership program. "Being on this team means a little extra effort from all participants," said Hoopes, "but the opportunities for innovation and the positive results are definitely worth it."

Clarke pledges \$1 million for finance professorship

Michael W. Clarke (FIN '83), of Vienna, has pledged a \$1 million gift to establish the Access National Bank Professorship in Finance.

Clarke is president, CEO, and director of Access National Bank, headquartered in Reston. His commitment, he said, is in recognition of the quality education he received and the quality of graduates hired by his bank as well as "to help ensure that quality faculty will always be employed in finance for the benefit of future generations of students."

Clarke said his pledge "represents a token of appreciation for the positive influence the university has fostered in my development as a student, alumnus, and now employer of Virginia Tech graduates. Virginia Tech helped me at a critical time in my development and has been there for our employees who are alumni. I hope this gift will help enable the university to continue in its tradition of turning out skilled and motivated young men and women for dynamic employers like Access National."

The pledge is an irrevocable, deferred gift in connection with Clarke's estate plan. No corporate resources of Access National are being used in connection with the gift. In the event that Access National Bank ceases to exist as a commercial bank operating in Virginia, the fund will be known as the Michael W. Clarke Endowed Professorship in Finance. The gift qualifies for matching funds under applicable public and private programs.

Clarke has been CEO of the bank since its formation in 1999. He was previously a vice president at Crestar and chief credit officer at

Patriot National and United banks.

He is active in civic and community groups, including the Optimist Club of Reston, March of Dimes, Special Olympics, and the McLean Lions Club. He is treasurer of the Adult Community Education Foundation, chairman of the Reston Business Incubator Advisory Board, and a past chairman and director of the Greater Reston Chamber of Commerce.

Access National Corporation is the holding company for Access National Bank. Access is a \$475 million business bank with three offices in Northern Virginia. With its subsidiary, Access National Mortgage, the company employs more than 240 finance professionals, the majority of whom are located in Virginia.



SunTrust establishes professorship

SunTrust Banks Inc. is contributing \$250,000 to establish the Richard E. Sorensen Professorship in Finance in honor of the college's dean. "SunTrust has always enjoyed supporting the communities in which we work and live," said C. T. Hill, chairman, president, and CEO of SunTrust, Mid-Atlantic. "But we are especially pleased that our Mid-Atlantic Foundation could contribute this grant to Virginia Tech's Pamplin College of Business. We see it as an investment in the future business leaders of the country and one that will continually grow in value, as it helps to recruit or retain top-notch faculty members who can provide the best in education to

Virginia Tech students."

SunTrust and the Pamplin College have ties that span 25 years, said Sorensen. Two professorships in finance were established in the 1980s by banks that were later acquired by or merged with SunTrust.

Virginia Tech president Charles Steger said the dean's strong leadership has enabled the college to continue progressing in the face of many challenges. SunTrust Banks Inc., headquartered in Atlanta, Ga., is one of the nation's largest commercial banking organizations. As of December 31, 2004, it had total assets of \$159.1 billion and total deposits of \$103.4 billion.

James E. Pearman Jr. (ACCT '70) and his wife, **Brenda K. Pearman**, of Salem, have included a bequest provision in their estate plan to increase the funding in the following accounts: the Cory J. Keeling Memorial Scholarship in Accounting and Information Systems (Keeling was a nephew of the Pearmans and a Virginia Tech freshman), the Pearman Family Freshman Merit Scholarship in Accounting, the James E. and Brenda K. Pearman Junior Faculty Fellowship in Accounting and Information Systems, and the Pearman Family Dean's Fund for Excellence. The increased funding qualifies for matching funds under applicable public and private programs. James Pearman is a principal with Fee-Only Financial Planning in Roanoke. A former banking executive, Pearman has provided comprehensive financial planning guidance since 1990. Specializing in estate, investment, and retirement planning, he has been selected by *Medical Economics* magazine as one of the top financial advisors for doctors in the country. He is a member of the Pamplin Advisory Council, the Pamplin College's Accounting and Information Systems Advisory Board, the Virginia Tech Athletic Fund Executive Committee, and the Virginia Tech Foundation board of directors.

James S. Goodwin (ACCT '78), of New York City, has given a \$120,000 gift to help establish the Konrad Kubin Endowed Professorship in Accounting and Information Systems. The gift qualifies for matching funds under applicable public and private programs. Goodwin's gift, along with pledge fulfillments by others, will permit the professorship to be fully endowed in three years. Accounting and information systems professor Konrad Kubin retired in spring 2003 after a 31-year career at Virginia Tech. Early in his career, Kubin was the faculty advisor to Beta Alpha Psi. Goodwin was student president of the organization during one of the years Kubin served as faculty advisor. After graduation, Goodwin took a position with Arthur Andersen. He spent four years with Andersen before leaving to earn his MBA at Stanford University. After receiving his MBA, Goodwin worked as a financial advisor on mergers and acquisitions for Morgan Stanley and, later, at a smaller firm of which he was a founder.

Honors

Fulbright Winners

France Belanger, associate professor of accounting and information systems, has been awarded a Fulbright Distinguished Chair; **Larry French**, associate professor of management, and **Mahmood A. Khan**, professor of hospitality and tourism management, have received Fulbright Scholar Awards.

The Distinguished Chairs are considered among the most prestigious appointments in the Fulbright Scholar Program. Recipients are generally senior scholars and have a significant publication and teaching record.

Belanger, an Alumni Research Fellow and former director of the college's Center for Global E-Commerce, will spend next summer in Portugal, where she will

Lisbon, at the University Institute for Labor and Business Studies, where he will teach MBA courses in small business management and entrepreneurship.

French, whose research focuses on child labor in developing areas and nontraditional forms of work organization, plans to participate in research projects at the institute and initiate a study on the labor practices of family businesses.

His studies of child labor in Brazil's shoe manufacturing industry show that most of the child workers are employed by their parents in family businesses that are subcontractors to the shoe manufacturers.

Khan will travel to Chennai, India, where he will teach MBA courses and conduct research at the Indian Institute of Technology. He will also visit other Indian cities to lecture on franchising, marketing, and international service management.

Khan is author of six books, including *Restaurant Franchising* and *Encyclopedia of Hospitality and Tourism*. He is on the board of trustees of the International Institute of Hospitality Management in Switzerland.

The Fulbright Program, the U.S. government's flagship international educational program, is designed to "increase mutual understanding between the people of the United States and the people of other countries." More than 250,000 participants have participated in the program.



From left: France Belanger, Larry French, and Mahmood A. Khan.

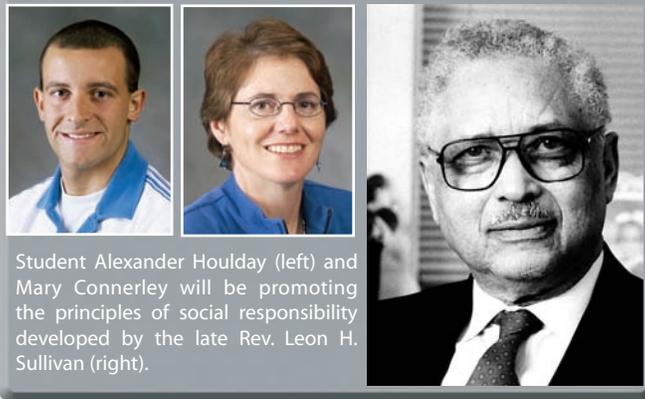
teach strategic information systems and conduct doctoral seminars at the Technical University of Lisbon's School of Business and Economics.

Belanger's research interests focus on the use of telecommunication technologies in organizations, in particular for distributed work and electronic commerce.

Belanger is associate editor of the *Journal of Electronic Commerce in Organizations*. She co-authored the books *Evaluation and Implementation of Distance Learning: Technologies, Tools, and Techniques* (Idea Group Publishing, 2000), and *E-Business Technologies* (Wiley, 2003).

Her work has been funded by the National Science Foundation, the U.S. Department of Education, Boeing, PricewaterhouseCoopers, and various centers.

French and Khan both teach in the MBA program at the university's center in metro Washington, D.C. French will also be based in



Student Alexander Houlday (left) and Mary Connerley will be promoting the principles of social responsibility developed by the late Rev. Leon H. Sullivan (right).

GM Sullivan Award Winners

A Pamplin team is again participating in the GM Sullivan Fellowship Program that promotes principles of corporate social responsibility developed by the late Rev. Leon H. Sullivan.

Alexander J. Houlday, of Hockessin, Del., who is majoring in management and finance, has been named a Sullivan Fellow.

Mary L. Connerley, an associate professor of management, has been named a faculty adviser/mentor. The program, a partnership between General Motors and the United Negro College Fund, is designed to educate students and faculty about the Global Sullivan Principles through campus courses and workshops developed by the participating institutions and individuals.

Connerley, who participated

in the program last year, receives a \$5,000 grant to develop and teach modules for a management course, "Human Resource Management," and workshops based on the Sullivan Principles for faculty, staff, and students. Last year, she developed and taught workshops and a module for the "Ethical Leadership and Corporate Responsibility" course.

Connerley specializes in diversity, cross-cultural and expatriate issues, and various aspects of the staffing process. She is a member of the college's Diversity Committee and was selected as a Virginia Tech Multicultural Fellow in 2000. Her first book, *Leadership in a Diverse and Multicultural Environment*, is discussed on page 5.

Houlday received a \$5,000 scholarship and completed a paid summer internship at GMAC Financial Services, a GM subsidiary. He will assist Connerley in developing and delivering the modules and workshops.

Sullivan, who died in 2001, was a Philadelphia minister and civil rights leader who became the first black member of GM's board of directors in 1971. He developed the Sullivan Principles in 1977 as a code of conduct for companies operating in South Africa. The Sullivan Principles are generally acknowledged to have helped end workplace discrimination and apartheid there.

Students' Choice

Christopher Neck, associate professor of management, was one of 10 faculty members to receive the 2005 Students' Choice Award.

The recognition of teaching excellence is sponsored by the Virginia Tech Student Alumni Associates. This is Neck's sixth such honor. He teaches a course on management theory and leadership practice to large numbers of students each semester.



Distinguished Alumna

Bridget Ryan Berman (BAD '82), a former executive at Apple Computer and Polo Ralph Lauren, was honored as Pamplin's 2005 Distinguished Alumna during the spring commencement ceremonies.

Berman was Apple's vice president and chief operating officer of retail stores before she left the company in August. She was previously group president of Polo Ralph Lauren's retail business, where she worked for 12 years. She was responsible for the strategic development and operations of the full-price and outlet store divisions in the United States and Europe and served on the executive leadership team and on the board of directors for RL Media (Polo.com).

A 23-year veteran of department and designer store retailing, Berman has worked in executive positions in merchandising and store management at the former Federated and May department store companies (which merged in August). A resident of Maplewood, N.J., Berman serves on the Virginia Tech Foundation board and on the Dean's Council at New York University's Wagner Graduate School for Public Service.

MBA Award Winners

The MBA program honored graduating students **Bill Abplanalp** (MBA '05), **Carla Wilhoit** (MBA '05), and current student **Howard Deskin** last semester. Abplanalp received the MBA Outstanding Full-Time Student Award for academic and professional leadership. He is a consultant with BearingPoint in Alexandria. Wilhoit, now an analyst at Accenture in Charlotte, N.C., received the MBA Spirit Award, given to the student "who has done the most to develop and promote social and other activities for MBA students that reach beyond academics." Deskin received the MBA Outstanding Part-Time Student Award, given for leadership in the classroom, at work, and on campus.

Distinguished Service

Eddie F. Hearp (BAD '65, M.S./BAD '66) and **Eugene E. Fife** (BAD '62) received the Alumni Association's 2005 Alumni Distinguished Service Award.



Hearp, of Roanoke, is president of National Financial Services Inc., an insurance and investment planning firm. He is a Lifetime Golden Hokie, an endowed scholarship contributor, and a member of Ut Prosim and the Legacy Society. He was a member of the Alumni Center National Leadership Campaign, the Virginia Tech Foundation board, Bowman Society, Hokies for Higher Education, and the board of the Virginia Tech Athletic Fund. He is past president of the Alumni Association and co-chaired the Roanoke Valley Campaign Committee.



Fife, of Charlottesville, is a retired general partner of Goldman Sachs. He has served as a member of the Virginia Tech Foundation board, the foundation's executive committee, and the Campaign Steering Committee. An Ut Prosim member, Fife funds scholarships for students from his hometown of Hinton, W.Va. He is a member of the Virginia Business Higher Education Council.

From top: Eddie F. Hearp and Eugene E. Fife have been honored with the Virginia Tech Alumni Association's 2005 Alumni Distinguished Service Award.

On the Move

New Administrators

The college has appointed three new administrators: **Candice E. Clemenz**, associate dean for undergraduate programs; **Richard R. Perdue**, department head of hospitality and tourism management; and **Richard L. Daugherty**, director of the Business Technology Center.

Clemenz was a faculty member in the hospitality and tourism management department at Virginia Tech for seven years, during which she received awards for teaching and advising. During the past two years, she taught at the University of West Florida, where she established a new hospitality program.

Clemenz has 20 years of business experience, including serving as vice president of development at ClubCorp, the world's largest owner of private clubs. Her industry expertise focused on revenue-generating strategies, new product development, and turning around troubled properties. She plans to continue her research work on training and club management issues. Clemenz received a Ph.D. in hospitality and tourism management from Virginia Tech in 2001.

Perdue was previously a professor in the Leeds School of Business at the University of Colorado-Boulder, where his recent research focused on sustainable tourism development and marketing in Colorado mountain environments with specific emphasis on the ski and recreational real estate industries.

He has conducted research and marketing projects for local, state, and regional tourism offices, the National Park Service, the U.S. Forest Service, and other federal agencies. Perdue is president of the International Academy for the Study of Tourism and editor of the *Journal of Travel Research*, the premier scholarly journal on tourism. He received a Ph.D. in recreation resources development from Texas A&M University in 1981.

Daugherty has more than 25 years of industry experience leading new business and product development, technology management, and corporate ventures. He was formerly director of Alcan Aluminum's fabrication research and development center for North America, where he led a 100-person materials and product development effort.

Daugherty has worked at Alcan, Atlantic Richfield, and Exxon. He joined the college last year as an adjunct faculty member. He received a Ph.D. in engineering mechanics from the University of Delaware in 1971, where he also taught and served as an assistant dean for several years.



Candice E. Clemenz



Richard R. Perdue



Richard L. Daugherty

Mondale encourages MBAs to develop ethical, global vision



Walter Mondale, former U.S. vice president and ambassador to Japan, addresses Virginia Tech's first executive MBA graduates.

Addressing graduates of the inaugural class of Pamplin's executive MBA program this past June, former Vice President Walter Mondale said the Pamplin College's mission to produce ethical, globally oriented business leaders is vital to today's workplace.

"I cannot think of two more critical elements for American business today than ethical leadership and global vision," Mondale told the 23 graduates, their families, and college and university faculty and administrators during a ceremony at Mount Vernon Estate and Gardens outside Washington, D.C.

In addition to avoiding fraud and not stealing from the company, ethical business leadership, he said, also means tackling the leading crises of the day.

On global vision, Mondale said, "We compete by innovating, by becoming the world's laboratory and think tank. We cannot go back in time and compete on wages. By creating new products, new strategies, new ideas, we will succeed as an economy and as a nation."

America also competes by maintaining honest markets with "sterling integrity," he said. Foreign direct investment follows open, transparent markets. By keeping our markets open, and by defending the integrity of American business, we encourage the world to invest in America.

"Finally," Mondale said, "we compete by learning more."

He commended the graduates for completing the intensive, 18-month program,

which included a study-abroad trip to visit Swiss and Italian businesses in Zurich and Milan. "In reading through the biographies of this class, I was deeply impressed by the breadth and depth of experiences. You have already achieved great professional accomplishments—but it is an additional credit to you that you recognize the importance of life-long learning."

The graduates were managers, directors, and other professionals from organizations that included America Online, Morgan Stanley, BearingPoint, Deloitte Consulting, Booz Allen Hamilton, and the GAO.

Mondale, who has a bachelor of arts in political science and a law degree from the University of Minnesota, is currently senior counsel at the Minneapolis law firm of Dorsey and Whitney and chair of its Asia law practice group. He served as attorney general for Minnesota and as U.S. senator before being elected as Jimmy Carter's vice president in 1976. He was the Democratic Party's nominee for president in 1984 and President Clinton's ambassador to Japan from 1993 to 1996.

The executive MBA program, offered at Virginia Tech's National Capital Region center, was established in 2004 to provide executives continuing education in accounting, economics, organizational behavior, and decision theory (see story on page 10).

**"We compete by innovating ...
We compete by learning more ..."**

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