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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. Its centers focus on business leadership, business diversity, e-commerce, forest industries, organizational performance, and services innovation. 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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NOTABLE LOOK WHO'S TALKING

Wachovia Distinguished Speakers

Markel Corporation's senior vice president and chief financial officer Richard R. Whitt (ACCT '87) discussed the insurance industry and his career. Richmond-based Markel markets and underwrites specialty insurance products and programs to various niche markets. Brian Slingerland (FIN '00) discussed success in investment banking in his talk, "Be a Catalyst." Slingerland is a partner and co-founder, together with legendary investment banker Frank Quattrone and others, in the investment banking business of Qatalyst Group, a technology-focused merchant banking boutique launched in San Francisco in March 2008.



JOHN MCCORMICK

Earl Cox



REBECCA CRAIG

Richard R. Whitt



REBECCA CRAIG

Brian Slingerland



CHRISTINA O'CONNOR

Vahan Janjigian

BB&T Distinguished Speaker

Forbes newsletter editor and book author Vahan Janjigian (MBA '82, Ph.D./FIN '85) discussed some of Warren Buffett's stock picking mistakes and how he came to write his book, *Even Buffett Isn't Perfect: What You Can — and Can't — Learn from the World's Greatest Investor*. Janjigian is chief investment strategist at Forbes, vice president and executive director of the Forbes Investors Advisory Institute, and editor of the *Forbes Growth Investor* and *Special Situation Survey* investment newsletters. (The fall 2008 *Pamplin* magazine included a profile on Janjigian and a review of his book by SunTrust Professor of Finance John Pinkerton.)

Marketing class guest speaker

Earl Cox (COMM '78), partner and director of strategic planning of the Martin Agency, gave a talk, "The Business of Creativity," as a guest speaker in a marketing communications course taught by assistant professor of marketing Jane Machin.

Cox discussed the creative process behind successful advertising campaigns developed by the Richmond, Va.-based ad agency for such clients as GEICO, TLC, and the Alliance for Climate Protection.

COLLEGE REACCREDITED

The college has been reaccredited by AACSB-International, following an extensive program evaluation and site visit by a review team. The five-member team, led by Richard Cosier, chair of AACSB's board of directors and dean of Purdue University's business school, visited Pamplin last fall to interview the college's administrators, faculty, staff, and students.

In its report, the team commended the college on several activities, including the "assurance of learning" initiative, the study-abroad program in Switzerland, and the diversity center and minor as "exceptionally effective practices that demonstrate leadership and high-quality continuous improve-

ment in management education." These are "best practices," the team noted, that may be of interest to other management educators.

The team's suggestions for improvement (unrelated to AACSB accreditation standards) included giving greater attention to recruiting and retaining productive faculty, seeking innovative ways to deliver courses, increasing revenue from non-degree and degree executive education programs, and expanding international programs and opportunities for students and faculty.

AACSB-International, the Association to Advance Collegiate Schools of Business, is the primary accrediting agency for business schools worldwide.

DEAN DISCUSSES RECESSION'S IMPACT ON BUSINESS SCHOOLS

Pamplin Dean Richard E. Sorensen led a workshop for business school deans at an international conference to address possible financial impacts of the global recession on business schools.

The workshop was added to the Deans Conference in response to the rapidly changing global economy. The conference, held in February in San Francisco, is an annual gathering of business deans sponsored by AACSB International—the Association to Advance Collegiate Schools of Business.

Sorensen, a past chair of AACSB's board of directors, said the workshop was "a forum for business school leaders across the nation and around the world to work face-to-face with each other to understand the issues, think strategically, and develop action plans that respond effectively to the challenges brought on by shifting markets and contracting economies."

The topics addressed — all within the context of declining university budgets and a shaky economy — included program funding



Richard E. Sorensen

JOHN MCCORMICK

needs, fundraising, faculty recruitment and retention, enrollment management, student placement assistance, and services delivery to business and government.

Sorensen led the workshop with Gail Naughton, business dean at San Diego State University.

Exploring engineering ethics

Richard Wokutch, professor of management, is helping to establish an interdisciplinary graduate curriculum in engineering ethics.

The program, based in the College of Engineering, is funded by the National Science Foundation. Wokutch's research

The program will feature an ethics course, summer workshops for students and faculty members, and a seminar series in engineering ethics that will be integrated with the 18-year program of business ethics seminars in the Pamplin College. The program will include ethical issues in the Ph.D. preliminary examination and the presentation of learning modules by the students during the examination.

The program, Wokutch said, seeks to engage engineering students in examining the broader roles and responsibilities of professional engineers by integrating ethical, environmental, and social considerations and impacts of technology in their education and research. Participants in the program promoted several events during the week of March 15-21 and encouraged campus-wide discussion of ethical issues as part of an "Ethics Week."



Richard Wokutch

JOHN MCCORMICK

specialty is in international business ethics and the global management of corporate social performance. He and engineering and philosophy faculty members jointly prepared the NSF proposal.

I.T. IN TOP 10

Pamplin's information technology program was included in a list of top 10 IT programs in the country in a report published last October by TechRepublic, an online forum and resource for IT professionals.

The report, said TechRepublic's editor-in-chief Jason Hiner, focused on the CIO career track and examined programs that would offer the most value to students who wanted to work in the business end of IT.

"For that crowd, a strong foundation in business administration is just as important as a good technical education," Hiner noted. "A degree from one of these 10 programs will provide a great foundation for a successful IT career. And, while we primarily view this report as a service that we can offer to the next generation of aspiring IT leaders, current CIOs and IT managers should also use it as a way to find the colleges and universities that are producing some of the best IT talent on the planet."

The 10 programs are not ranked but are described individually.

For more information on the TechRepublic list, please visit www.bit.vt.edu

New non-credit program for non-business students

Pamplin is offering a new, three-week non-credit program for non-business students on campus this summer. "It's designed to give the university's juniors and seniors who aren't business majors or minors a competitive edge in this slow economy and competitive job market," said Sharon Scott, associate director of management and professional development.

"Business Applications Summer Experience" will be offered May 18-June 5. Topics include accounting, economics, entrepreneurship, finance, leadership and management, marketing, and personal finance. Students will also discuss interviewing, resumé writing, and business etiquette and will receive a certificate in business applications upon completion.

For more information:
www.cpe.vt.edu/mpd.base

MBA students meet Washington-area execs

Pamplin MBA students visited employers in the Washington, D.C., area last fall on an outreach program organized by the MBA office.

A group of 22 full-time MBA students, along with Steve Skripak, associate dean of graduate programs, and Barry O'Donnell, MBA associate director, met with representatives from Booz Allen, General Dynamics, Mercury Computer Systems, Merrill Lynch, SAIC, and the Department of Justice.

The road trip was proposed by MBA Advisory Board president and Washington-area attorney John Ritzert (MBA

'76) to enable students to meet employers who do not typically visit campus to recruit MBA students. The program was organized with assistance from Executive MBA executive director Charles Jacobina and alumnus Eddy Yager (MKTG '84, MBA '85), a retired executive from Accenture.



CHARLES JACOBINA

FOR STUDENTS BY STUDENTS



Above from left: Online Business Guidebook executive director Chris VanEvery and Tirma Singh, guidebook editor-in-chief, meet with classmate Sara DiMantova in DiMantova's apartment.

Top right: William Lindner (in green) and Greg Seador (in red) update Alan Abrahams' class on the development of the guidebook Web site, which started as a class project. Lindner is serving as the guidebook's chief information officer/chief technology officer; Seador is serving as a Web associate.

Right: Singh and VanEvery meet with Mike Levisay, the project's marketing director last fall and CEO this spring.



A GUIDE TO E-BUSINESS



It's not your typical e-business manual, say the business information technology students who are launching the Online Business Guidebook this spring.

To be published in April as a hard copy, the 40-page, full-color book is a step-by-step guide for students with dreams of starting their own Internet-based businesses, as well as a good advertising vehicle for vendors of Web software and services, say Michael Levisay and Robert Stanley.

"Our guidebook is different — it is written by students for students," says Stanley, who is from Bland, Va. "We are also trying to promote entrepreneurship," says Levisay, of Charlottesville, Va., "...get young people more involved in business and show them that they can start their own businesses if they have the desire and drive."

The guide will make the information more readily accessible to aspiring business owners "than if they had to search the Web or find bits and pieces of information in magazines," Levisay says. "We really want it to be a one-stop guide to starting your own small business, and we want it to make students excited about becoming entrepreneurs." Levisay says he was particularly struck by statistics from one 2004 report on Entrepreneur.com that showed that the average annual revenue of a small business with a Web site was \$5.0 million, compared with \$3.6 million for a small business without a Web site.

He and Stanley last fall took a senior capstone course, Business Analysis Seminar in IT, taught by business information technology (BIT) assistant professor Alan Abrahams.

Abrahams proposed the guidebook as a class project.

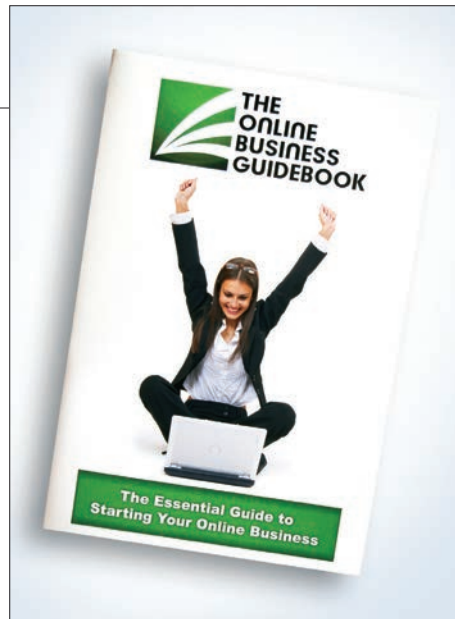
He notes that studies have shown that small-business success rates are enhanced by education and training — and that entrepreneurship advocates say a majority of Americans still lack easy access to such resources. Startup companies, he also notes, have long been seen as an engine in job creation — a view championed by many politicians in recent months and affirmed by a new U.S. Census Bureau study that examined employment data in the 1980-2005 period.

The professor, whose course focuses on developing and using decision support systems as managerial tools in e-commerce, envisaged many potential benefits from the guidebook project.

It would, he says, allow students to apply the operational and managerial IT concepts learned in class and gain business experience while meeting a need in the crowded e-business guidebook market for “a low-price, high-practice alternative that shows readers in simple steps how to start working with Web-based software and services in business applications.” Most textbooks and guidebooks on e-business, he says, are very costly and do not provide enough paced instruction.

To compile the guidebook, Abrahams assigned the students to one of dozens of major business-to-business Internet technology software categories, such as sales management, e-mail marketing, Web analytics, shopping carts, content management, and payment processing. He gave the students listings of popular vendors in each category. The students researched the vendors in their assigned category. “They compiled, in the standard Online Business Guidebook format, an explanation of the valuable services those vendors provide to small businesses and a step-by-step tutorial on how to grow your small business using those Internet-based software services,” Abrahams says.

“Readers of the guidebook are getting compelling



advice from writers with first-hand experience — the students have used many of the technologies they describe to build and grow their guidebook business.”

After establishing a not-for-profit organization to publish the book, his students worked last fall to put out a sample edition, funded by small grants from the BIT department and Pamplin’s undergraduate career services office. The nine founding students also chipped in some personal funds, says Abrahams. This spring semester, the project received a \$2,000 grant from Deloitte, adding

to the nearly \$4,000 in funds contributed by the class of almost 40 students.

“As Deloitte Consulting’s Federal Practice has grown, Virginia Tech has become one of our key sources of technology talent,” said Deloitte campus recruiter Jeanie Darlington. “The BIT curriculum gives students the opportunity to learn and practice many of the skills they can then directly apply in the consulting field when they enter the firm following graduation. We look forward to continuing our relationship with the BIT department in the future.”

Abrahams says the guidebook organization aims to be self-sustaining eventually, “with revenues primarily from advertising and corporate sponsorship and, to a lesser extent, sales of the guidebook to the broader public.” An additional benefit of the project, he says, would be the scholarships and student projects that the students plan to fund through such proceeds.

Given that universities across the country have been experiencing dwindling enrollments in IT majors, Abrahams says that he and the students also plan to use the guide to promote IT studies and careers to high-school students. “We want them to know that IT offers a diverse range of career possibilities; it’s much more than consulting and programming.”

Entrepreneurship: odds can be stacked against the inexperienced

With the economy in a slump and few employers beckoning, the notion of being your own boss may be attractive to many prospective or recent college graduates.

Entrepreneurship, however, is not for everyone, and many wonder whether it is a good career move for inexperienced new graduates. Jim Lang, Pamplin’s Strickler Professor of Entrepreneurship, for example, says “sometimes it works, but the odds are somewhat stacked against success if they don’t have sufficient financial resources or capabilities resulting from some kind of relevant experience.”

Lang views the main value of Pamplin’s

entrepreneurship courses “as providing tools for the students to use when the time is right.” The courses are offered in the management department’s entrepreneurship, innovation, and technology management option for management majors.

E-Management: Concepts And Skills focuses on the digital transformation of business. The course examines fundamental changes in management due to the Internet Revolution: how such organizations are different from traditional organizations; the implications for knowledge sharing, knowledge management, and communication; and electronic techniques

for leadership practices.

Innovation, Technology And Entrepreneurial Leadership examines the leader’s role and required skills for new venture creation and fostering innovation and technology development.

Applied Small Business Consulting looks at the application of accounting, finance, marketing, management, information technology, and management science concepts to small business cases. Students conduct on-site consultation with existing firms and explore the role of “pro bono” work in management.

The guides will be sent to business professors across the nation to distribute to their students. “For our first print run, we expect to have about 300 professors each distributing an average of 35 complimentary guides to their students,” Abrahams says. “Copies will also be sent to dozens of business incubators, accelerators, and small business development centers for distribution to their current and prospective clients.”

Members of another class taught by Abrahams, Computer Modeling and Decision Analysis, also assisted with compiling a mailing list. “All told, the students from both classes were able to compile mailing addresses of about 18,000 entrepreneurship, IT, marketing, and management business faculty from about 355 U.S. business-school Web sites,” Abrahams says. Flyers will be sent to these professors, who will be asked to visit the guidebook’s Web site to specify their course description and enrollment and the number of complimentary copies they would like for their students.

The mailing list itself has already attracted an enquiry, Abrahams notes, “from professors at Wharton and Columbia Business School who have an upcoming Harvard Business Press textbook, asking if they could piggyback a flyer advertising their book on our mailings!”

He adds that the students hope to extend the list to include most of the 461 AACSB-accredited U.S. business schools over the next year.

The students unveiled the four-page sample guide last November at a business incubators conference in Staunton, Va., where they sought advertisers for the full edition this spring. “It was our first public appearance, and a great opportunity for us to mix with the business community,” Levisay recalls. “Many incubators are also non-profits, so getting to talk to a lot of people about how they run their business was extremely helpful to us. We had a lot of interest in who we were and what we were all about.”

Adds Stanley: “The conference also gave us the chance to make a lot of key contacts in the area that have proven to be extremely useful and mutually beneficial.”

The guidebook organization will be staffed each semester by students taking Abrahams’ course and year-round by student volunteers. Levisay and Stanley, who both graduated last December, helped lead the transfer of the business to the spring semester class. “We really wanted to bring this batch of students up to speed as fast as possible so they can have an immediate hands-on involvement,” Stanley says.

With 35 students and up to 10 volunteers, the business can really grow this spring, notes Levisay. “Last semester was about building the framework and getting the business ready to launch. This semester will be about turning our framework into a successful operation.”

Abrahams is delighted that the project is already fulfilling the educational goals he had in mind. “My students are not passively sitting back and receiving knowledge but are creating and disseminating knowledge and using it themselves in a practical way to grow their own business.”

Anthony Wu, the guidebook’s chief financial officer, oversees the project’s budget.



JOHN MCCORMICK



JOHN MCCORMICK

Working on the not-for-profit guidebook allows students to gain valuable experience in management, marketing, information technology, finance, and other aspects of business — as well as demonstrate the “strong institutional work ethic and community-mindedness that corporate recruiters are looking for,” says professor Alan Abrahams (left). Despite the recession, the job market for BIT graduates appears to be very strong, he notes, with “thousands of positions open at the major information technology and consulting corporations,” according to a *Fortune* magazine story on the best companies to work for in 2009.

CONTACT INFORMATION

Vendors and potential sponsors should e-mail inquiries to sales@businessguidebook.org or call (888) 695-9551. Corporations or associations interested in purchasing custom-wrapped prints of the guidebook, or resellers interested in obtaining copies for retail sale (minimum order 1,000 copies), should e-mail distribute@businessguidebook.org.

Students interested in volunteering on the project should e-mail volunteer@businessguidebook.org.

The guidebook is seeking Virginia Tech students with majors in marketing, management, information technology, visual arts and design, engineering, and other fields, to work on the sales, print, or distribution teams.

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Management
Professor
Anju Seth



LICENSING, JOINT VENTURE, OR ACQUISITION... Which mode should firms select when going international?

How do firms expanding their business into a foreign country decide whether they should license their technology to a local firm or form a joint venture with the firm or acquire that firm? Which of these choices would give them the most benefits?

In a forthcoming paper in the *Journal of International Business Studies*, Pamplin management professor Anju Seth brings new insights to these questions. An important feature of her model is that the firms can switch from one arrangement to another during the life of the venture. For example, she says, firms can initially form a joint venture, but subsequently one partner can buy the other's stake in the joint venture. Her model combines real options and game theory approaches and draws on dynamic capabilities theory, agency theory, and transaction cost economics to examine how four factors interact to influence these choices.

The results, Seth says, identify a number of conditions for one factor to dominate another. "So, they help to reconcile

is a two-way street," she says, "involving learning by both multinational and indigenous firms." The local firm's expertise in local management culture, for example, may complement the technology know-how of the multinational.

Learning can create value for both parties, Seth says, but to what extent they benefit from it depends on which arrangement is selected to exploit their joint capabilities. Numerous studies examining the relative efficiencies of the three typical international business arrangements, or "modes," have focused on four factors as a major determinant of modal choice.

One factor is uncertainty about the absorptive capacities of the parties — how their ability to assimilate and apply new knowledge will grow over time. Another factor comprises the "frictions," or difficulties in the transfer of the firm's knowledge or assets, and associated incentive problems. For example, Seth says, "when the knowledge to be transferred is tacit, as local management culture might be — rather than codifiable, as in a blueprint or chemical formula — its transfer is difficult to monitor, which creates the potential for the transferring firm to exert insufficient effort in the transfer."

A third factor is the cost associated with "power jockeying," when the parties try to tip the balance of bargaining power

in their favor during the operation of the venture. Finally, there is the cost of switching from one arrangement to another after the start of the initial venture. "These costs commonly arise from government policy in the host country, such as limits to levels of foreign ownership," she says, "but also could be self-imposed by the firms by their adopting contractual restrictions on termination of the initial arrangement."

In contrast to previous studies, the model Seth and Chi developed examines all the factors in a continuum of choices — with the local firm holding full ownership (as in a licensing agreement) at one end, to the multinational holding full owner-

"Our simulation results show that an otherwise profitable project might not be worth undertaking if the chosen mode is inefficient."

different theories that have resulted in contradicting predictions regarding the effects of such factors as uncertainty and differing speeds of learning by the multinational and the indigenous firm."

Seth, who co-authored the paper, "A dynamic model of the choice of mode for exploiting complementary capabilities," with Tailan Chi of the University of Kansas, says scholars have long recognized that multinational companies operating abroad transfer knowledge such as technology, marketing expertise, and management know-how to local firms.

"Researchers have also shown that the knowledge transfer

ship (through an acquisition of the local firm) at the other end.

As an example, Seth says, consider a potential project between a multinational firm and a local firm that involves sharing tacit knowledge. “Because the transfer of such knowledge is costly, and the effort of each party is difficult for the other to monitor, the most efficient way for both parties to share their knowledge is likely a joint venture.” However, if the knowledge that they contribute is explicit and thus can be transferred at low cost, she says, one would expect there to be little reason for the parties to form a joint venture to exploit the synergy between their respective sets of knowledge, because they each can license the other’s knowledge easily.

“A surprising finding of our study is that in such a case, a joint venture — with the option for each party to acquire the other’s stake — is still the most profitable mode, because they both can gain from trading their stakes when one of them turns out to place a much higher value on the venture’s assets than

the other.”

Seth notes a related, but equally surprising, finding: “Pursuing the gain from trading in their stakes can motivate the parties to engage in power jockeying and destroy the value that they could potentially create by exploiting their complementary knowledge in a joint venture.

“The propensity for power jockeying can cause the otherwise valuable mode-switching option to instead have a negative effect on profits.” This result, she says, implies that firms should restrict the exercise of the mode-switching option when the tacitness of their knowledge and their bargaining propensity are both high.

“Our simulation results show that an otherwise profitable project might not be worth undertaking if the chosen mode is inefficient,” says Seth. “In other words, the choice of how to structure a venture can have a critical influence on whether to undertake it.”



MICHAEL KIERNAN

Finance associate professor Sattar Mansi

NEW YORK VS DELAWARE... Stricter state laws lead to higher corporate credit ratings

Incorporating in states with less restrictive payout laws has drawbacks as well as advantages. New research by finance associate professor Sattar Mansi shows that stricter state laws regarding payouts from accumulated earnings, i.e., dividends and share repurchases, significantly decrease corporate bond yield spreads.

Mansi found that companies incorporated in states with stricter payout laws, such as New York or California, have higher credit ratings and lower yield spreads than those incorporated in less restrictive states, such as Delaware. Bonds from firms incorporated in more restrictive payout jurisdictions have yield spreads that are 7.6 percent lower than firms from jurisdictions with no constraints.

“Being incorporated in a state with more restrictive payout laws is a commitment on the part of the business,” says Mansi, who co-authored the article, “Credit Protection Laws and the Cost of Debt,” forthcoming in the *Journal of Law and Economics*.

In their article, Mansi and his co-authors assess state laws regarding restrictions on payouts and hostile takeovers from the perspective of bondholders. Their study, Mansi says, seeks to provide a more comprehensive view of the impact of these state laws on overall firm value by adding bondholder evidence to the stockholder evidence documented in prior research.

“Our results suggest that incorporation in a state with more restrictive payout laws commits managers to paying out part of the accumulated earnings as dividends. It’s a way to reduce management power by cutting back on their cash flow,” Mansi says. As reincorporation is costly, he says, state payout restrictions can credibly reduce the potential for managers to

exploit bondholders through issuing debt and using the proceeds to pay out dividends or repurchase shares.

“While state payout laws have previously been associated with differences in firms’ liabilities, our analysis suggests that by constraining firm behavior, these laws reduce the agency costs associated with stockholder-bondholder conflict and thus provide for lower firm financing costs. As a result, these restrictions appear to be valued by the market, and firms subject to these restrictions are rewarded with lower financing costs.”

On the other hand, Mansi adds, the impact of antitakeover laws on bond yields is not significant; studies have found that these laws do not reduce financing costs, while they increase managerial entrenchment — “managers tend to stay on the job longer than they should, take advantage of the firm by adopting pet projects, or increase firm size to increase their power.” Therefore, firms refinancing to states with more stringent antitakeover laws would reduce their equity and total value.

However, firms incorporated in states with stricter payout laws benefit from significantly reduced debt costs, and this relation suggests that firms incorporating in a less constrained state, such as Delaware, lose this benefit while gaining more financial flexibility.

This tradeoff suggests that the choice of Delaware incorporation has drawbacks as well as advantages, Mansi says. While his research results are consistent with other studies questioning the advantages of Delaware incorporation for all firms, he says that the results also suggest that a variety of legal environments may offer advantages to firms. “A variety of jurisdictions may therefore allow firms to sort themselves so as to maximize value from those laws which best fits their needs.”

BLAH BLAH BLAH



A REPETITIVE VOICE CAN SOUND LIKE A CHORUS

People tend to misjudge the popularity of an opinion, believing that an opinion is widely shared if they hear it repeatedly — even if all the repetitions come from the same single communicator.

Offering the first evidence of this common misjudgment, a recent study by marketing assistant professor Kimberlee Weaver and three other researchers shows that this effect holds even when people are consciously aware that the opinions come from one speaker.

Situations can arise in which people come to believe that the norm is extreme in one direction whereas a silent majority may actually feel otherwise.

Published in a recent issue of the *Journal of Personality and Social Psychology*, Weaver's article, "Inferring the Popularity of an Opinion from its Familiarity: A Repetitive Voice Can Sound Like a Chorus," was co-authored with Stephen Garcia and Norbert Schwarz of the University of Michigan and Dale Miller of Stanford University.

"What we think others think greatly influences our own personal thoughts, feelings, and behavior," Weaver says.

"From college students gauging their peers' views on

alcohol, to stockbrokers speculating about consumers' confidence in the market, to everyday Americans wondering how scared others are about terrorism, our estimates of group opinion affect not only the decisions we make on behalf of groups but also our perceptions of reality," Weaver says. Someone who thinks that others are highly concerned about terrorism, for instance, may become more personally fearful, go to fewer public events, and even decide to move to a safer city than one who believes that others are more at ease, she says.

"Our accuracy in forming impressions of group opinion and group norms is also an essential component in guiding our social interactions." Nevertheless, she says, "little is known about how we estimate the prevalence of an opinion in a group," or "how people construct estimates of collective sentiment in the first place."

In their studies, Weaver and her fellow researchers examined the process through which people integrate information about how often they have heard an opinion and the number of people who have expressed it. The researchers conducted six studies, with participants drawn from the student populations at several universities who responded to questionnaires about various opinion issues.

"It is clear," Weaver says, "that people will perceive that an opinion is likely to be more widely shared the more they have



JOHN MCCORMICK

Kimberlee Weaver, assistant professor of marketing

heard different group members express it.” The participants in their studies clearly recognized this, she says, providing higher prevalence estimates when the same opinion was expressed once by each of three different group members than when it was expressed once by one group member.

“More surprising, however, our studies showed that hearing one person express an opinion repeatedly also leads perceivers to estimate that the opinion is more widespread compared with hearing the same communicator express the same opinion only once.” Across their studies, she says, “we found that although three people each expressing the same sentiment is more influential than one person expressing the same belief three times, the latter was, on average, still 90 percent of the former in terms of level of influence.”

Although faulty memories — what the researchers called “memory distortion” — may be one reason people misjudge the prevalence of an opinion, Weaver and her colleagues found that memory distortion was not needed for the misjudgment to occur.

Estimating collective sentiment

On a practical level, Weaver says, their research results have important implications for how people may estimate collective sentiment in everyday settings. “We frequently face situations in which we have to estimate how members of a group feel about an issue, while having only partial information about the attitudes of the group members.” Congressmen, for instance, she says, may get phone calls from a small number of constituents requesting that a policy be implemented or changed and from those requests must decide how most voters in their state feel about the issue.

Adding complexity to the discussion, some researchers, Weaver says, “have suggested that people who espouse a particular side of an issue, such as positions that reflect traditional group values, may feel licensed to be more prominent and vocal than others.” If observers base their group-level judgments on feelings of familiarity with the position resulting from the repetition effect, she says, “situations can arise in which people come to believe that the norm is extreme in one direction whereas a silent majority may actually feel otherwise.”

One source can lead to attitude change

Future research, Weaver says, should investigate more closely the consequences that can arise from misperceiving norms in social contexts — “once individuals misperceive group norms as a result of repeated expressions from one person or a small minority of individuals, will this lead to a misguided social influence process?”

Preliminary results from her earlier research, she says, indicate that opinion repetition from one source can lead individuals to change their own attitude toward an issue. “Future research should explore this important question in more detail.”

In summary, she says, the recent studies she and her colleagues conducted convey an important message about how people construct estimates of group opinion: observers appear to infer information about the number of group members supporting an issue from their own familiarity with an opinion position. “To the degree that our impressions of what others think influence our own perceptions of reality, the present studies can help inform us about the repetition effect and its consequences.”



KATHLEEN ANDERECK

Clockwise from top left: College student volunteers conduct morning exercises with elementary-school students in Tijuana, Mexico. Nancy McGehee (front), helps local residents mix concrete for a pad behind an elementary school located in a community of recent immigrants to Tijuana. Nancy McGehee (right) sits with three Tijuanan women who assisted her with her research. They are the “promotoras,” local residents who are trained in leadership, organizing, and community education and who work with families in Tijuana neighborhoods. Homes and terrain near the elementary school.

VOLUNTOURISM: MORE HARM THAN GOOD?

For more and more Americans, “volunteer tourism” or “voluntourism” — spending a vacation helping others far from home — is becoming the ultimate vacation. Nancy McGehee, an associate professor of hospitality and tourism management, is among the scholars studying the phenomenon.

Researchers, McGehee says, have focused on the volunteer tourist or volunteer tourism organizations rather than the local community hosting the volunteers. In a recent study, McGehee found that though volunteer tourists can potentially make many positive contributions to their host communities, the relationship is about more than just the benefits that one group conveys to the other. “The overall impact of the voluntourism experience is far more complex than it appears,” she says.

She and Kathleen Andereck, of Arizona State University, studied the relationship between the voluntourists and the voluntoured in two communities: McDowell County, W.Va., “a declining rural community in the Appalachian mountains,” and Tijuana, Mexico, “a rapidly expanding urban area in Baja California, south of the border.”

They discerned two main themes in the relationship between the voluntourists and the voluntoured: issues related to dependency and the role of organized religion.

Read the full story in the latest issue of Virginia Tech's Research magazine, available online at www.research.vt.edu/resmag/2009winter/tour.html

LEADING BY EXAMPLE

A PASSION FOR SERVICE BEYOND HEALTH CARE

John Tolmie (MGT '80), CEO and president of St. Joseph Medical Center

Last October, 21 villages in the Karatu district of Tanzania received more than 60,000 mosquito nets paid for by the staff and parent company of a hospital in Towson, Md. The gift was the latest project in a multifaceted social and economic development program started there six years ago by St. Joseph Medical Center president and CEO John Tolmie (MGT '80).

Tolmie, who flew to Africa last fall with several hospital staff members to kick off the distribution of the insecticide-treated nets, says the nets significantly reduce malaria infections in the villages, "allowing children to continue going to school and kids and families to continue their farm work."

He became interested in Tanzania in 2001, on a trip there with his parents for the opening of a handicapped-children's school that his parents helped support. "During the visit, I was asked to assess the healthcare needs in Karatu District." The Village Wellness Program was developed, in partnership with a Tanzanian hospital and church and a Colorado hospital.

Though the program's primary focus is health care, Tolmie realized early on that the villagers needed help with other issues that also affected their overall wellbeing. Thus, in addition

to water projects, HIV/AIDS education, health screenings, and aid for a local hospital and dispensaries, the program has assisted villagers with the purchase of farm animals and stoves and provided small business loans.

The program has invested more than \$1 million in improving the health of more than 80,000 villagers, says Tolmie, who travels to Tanzania every year "to check on the various projects and help facilitate problem resolution and program development."

Tolmie, who received an MBA and a master's in health

"We strive to be expert in all aspects of patient care, put the patient at the center of the entire care process, and focus on treating the body, mind, and spirit."

administration from Georgia State University, is a 27-year veteran of hospital administration. He worked at Mount Vernon Hospital in Alexandria, Va., and Potomac Hospital in Woodbridge, Va., before joining St. Joseph Hospital in Lancaster, Pa., in 1989. He became president and CEO of the hospital, owned by Catholic Health Initiatives, in 1995; led its merger two years later with the St. Joseph's in nearby Reading; and served as the new CEO until his 2001 appointment at the Towson complex.



Tolmie in the new chapel at St. Joseph Medical Center.

“Some specific concerns are access to capital for investment in technology and facilities, nursing and physician shortages, increase in cost of delivering care, and a growing increase in bad debt and uncompensated care...”

“I chose healthcare because I wanted to be in an industry that helps people,” Tolmie says. Hospital administrators he encountered as a student “always spoke very positively about the profession and the opportunity to advance your career in many different paths within healthcare.”

Competing with nine other hospitals

The 365-bed St. Joseph Medical Center has a medical staff of more than 1,000. It provides full community-hospital services, including medical, surgical, maternal and child health, and psychiatric services. The hospital’s heart, cancer, and orthopedic institutes, he says, draw patients from throughout Maryland and surrounding states. “We successfully compete in the highly competitive Baltimore market with nine other hospitals.” Over the past three fiscal years, he says, the hospital’s market share has “grown significantly.”

Of its patient promise, “Always Expert, Always Personal, Always Faith-Filled,” Tolmie says: “We strive to be expert in all aspects of patient care, put the patient at the center of the entire care process, and focus on treating the body, mind, and spirit.”

A heart hospital within the hospital

Recognized by *U.S. News & World Report* as one of America’s best orthopedic facilities, the hospital is also ranked among the nation’s top 100 heart hospitals. His biggest success, Tolmie says, is an initiative that invested more than \$120 million in technology, facilities, and program development, including a new building opened last December that “creates a heart hospital within the hospital.”

With the worldwide economic downturn, Tolmie says healthcare, like other industries, faces tremendous challenges. “Some specific concerns are access to capital for investment in technology and facilities, nursing and physician shortages, increase in cost of delivering care, and a growing increase in bad debt and uncompensated care — the growing number of individuals losing their jobs will challenge hospitals even further by decreasing levels of reimbursement.”

For St. Joseph, with its mission of “loving service and compassionate care,” the current recession has made it harder to support “mission clinics, community outreach programs, and service to the growing number of people without health insurance or means to pay for healthcare services.”

A bridge builder

Reflecting on characteristics that have served him well, Tolmie, who received Baltimore County’s Bridge Builder Award last year for community service, cites “relationship building and active listening skills,” “high values,” “treating people with dignity and respect,” and “most important, a passion for your work and developing other leaders.”

Off duty, he enjoys spending time with family and friends.



Top: John Tolmie helps distribute mosquito nets to villagers in Tanzania. Bottom: Tolmie stands in the new main entrance of St. Joseph Medical Center while it was under construction.

He and his wife, Lynn, have three sons, one of whom is currently a sophomore at Virginia Tech. “Both of us lived in Pritchard Hall as freshmen, an experience neither of us will ever forget.”

Tolmie also enjoys photography, gardening, and skiing. Not among his pastimes, however, he says, is watching hospital dramas on TV.

FROM RURAL VIRGINIA TO AROUND THE WORLD

Alexander Lipscomb (MBA '02), Vice consul, U.S. Embassy, Honduras



PHOTOS COURTESY OF ALEXANDER LIPSCOMB

Lipscomb on a temporary assignment in Buenos Aires, Argentina

Fifty-foot humpback whales surfaced only a few feet from their small boat, recalls Alexander Lipscomb (MBA '02), while schools of dolphins swam all around them, “annoying the whales and showing off with acrobatics.”

Lipscomb, who was accompanying scientists studying mating pods of whales off the coast of southwestern Gabon, has also camped with wildlife researchers in the country’s remote interior, held baby western lowland gorillas, flown on rickety airplanes over the jungle, and met witch doctors and presidents.

Lipscomb was a general services officer at the U.S. Embassy in Libreville, Gabon. Now a vice consul at the U.S. Embassy in Tegucigalpa, Honduras, Lipscomb says that travel and adventure are certainly among the pluses of being in the Foreign Service. “Living in a foreign country is far different from just visiting, both for the bad and the good. I’ve had so many amazing experiences for a farm boy from rural Virginia!”

Growing up on his family’s dairy farm in Fairfield, Va., Lipscomb began learning French as an eighth grader. His family later hosted two French students. “Being around them and exchange students from other countries really got me interested in the world beyond U.S. borders,” he recalls.

Learning foreign languages seemed to come naturally to him. (Later, at the Foreign Service Institute in Arlington, Va.,

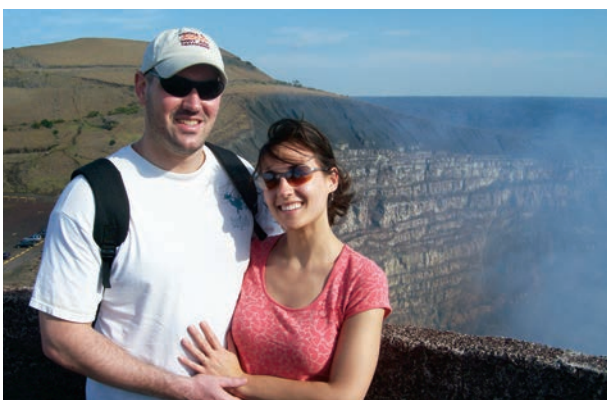
he would test at a near-native level in French and at a fluent level in Spanish.) Graduating from Roanoke College where he majored in French and history, Lipscomb taught French at Rockbridge County High School before leaving to get an MBA. At Pamplin, he also completed a spring semester abroad at Institut National des Télécommunications in Evry, France.

When a cousin who worked for the federal government suggested that he consider the Foreign Service, Lipscomb applied, took the requisite tests, and joined the State Department. Though being a Foreign Service officer has its moments of adventure and glamour, “the vast majority of the work is somewhat routine, from the visa interviews to the reporting cables to Washington,” says Lipscomb, who won the State Department’s Group Meritorious Honor Award in 2005 and Franklin Award for individual service in 2008. “A lot of hard work goes on behind-the-scenes in an embassy that is vital to the maintenance of a healthy bilateral relationship between the host government and the United States.”

In Gabon, he was in charge of contracting, logistics, housing, procurement, and maintenance for the embassy community and its facilities. “We started building a new embassy compound while I was there, so it was quite challenging and interesting.” His 41-member staff — from 11 African countries as well as France, Japan, and the United States — “was an international experience itself!”

At the embassy in Honduras, Lipscomb currently oversees the “adjudications” or decision-making process for non-immigrant visas after a stint working on immigrant visas. “The bulk of our work in the consular section is interviewing applicants for non-immigrant visas. Most Hondurans are seeking visas for a short stay in the U.S. — for business, tourism, or study — rather than to become permanent immigrants.”

Of life in Tegucigalpa, Lipscomb says traffic in this city of about a million “is terrible, and the drivers are crazy!” Honduras, he says, is one of the poorest countries in the western hemi-



sphere. “It struggles with high levels of crime and corruption, but it is a beautiful country, with stunning mountains, beaches, and Mayan ruins.”

Foreign Service officers, he says, receive extensive training before heading out to post, both in the language of that country and in the job they will be performing. Before arriving in Honduras, he trained at the Foreign Service Institute for eight months, six of which were spent studying Spanish.

He has met other officers with MBAs. “The State Department is always seeking candidates who demonstrate critical thinking skills. From a business or finance perspective, we are often charged with handling projects funded into the millions of dollars, so it is critical to know how to manage a budget, get projects done on time, and justify the expenditures to the taxpayer.”

The ability to use common sense, exercise judgment, and think on your feet, he says, is crucial in the Foreign Service. “Much like in the business world, you’re often faced with having to make many important decisions in a limited amount of

time and with limited resources, so you need to be creative and learn to manage your time well.”

Asked to what extent he relies on what he learned at Pamplin, Lipscomb says: “Every day. The MBA classes at Pamplin teach you to work together in a multicultural setting to accomplish goals through teamwork, cooperation, and leadership. Those are exactly the types of skills you need in this job, so a Pamplin degree is excellent preparation for a career in diplomacy.”

Most officers’ first two tours, he says, are two-year postings (although in dangerous locations, they are typically only one year); subsequent tours can be three years or more. The first two tours are directed assignments, but starting with the third tour, officers may lobby individual posts or bureaus in Washington for jobs.

Lipscomb, whose wife, Gina Morelli, teaches English at the American School of Tegucigalpa, would like one more overseas posting before heading back to Washington. With his assignment in Honduras scheduled to end later this year, he has put in his bid for his next posting. His wife’s dream assignment is Australia, he says, “and I am happy going almost anywhere as long as it’s with her!”

Lipscomb, whose father and late grandfathers also earned degrees at Virginia Tech, gets one government-funded trip home during each posting and tries to return on his own to visit his parents when he can. The hardest part about living abroad is being away from family, he says, but he has gained a newfound appreciation of the freedoms that are often taken for granted at home.

“In America, we can assume, for the most part, that our food is safe, our teachers are dependable, our police are not corrupt, our elections are free and fair, and that we have individual rights that are inviolable. Such is absolutely not the case in many other countries. I think it takes living there to realize how hard it can be for the average person. I suppose the thing I’ve learned about myself is that I am up to the challenge of living in these tough places.”

He hopes he has avoided being the “ugly American” and demonstrated “self-reliance and professionalism,” he says.

“I realize how much work there is to do in this world. People lead extremely tough lives overseas, and getting aid to them can be very challenging and frustrating. But the world is a beautiful place, and I’m so glad I’ve gotten to see some interesting parts of it.”

A major perk of life in the Foreign Service is the opportunity for personal travel. Top: On an off-road excursion in El Salvador, black-handed monkeys visited Lipscomb’s car. Bottom: Lipscomb and his wife, Gina Morelli, at the rim of Masaya Volcano in Nicaragua.

“Much like in the business world, you’re often faced with having to make many important decisions in a limited amount of time and with limited resources...”

DIPLOMACY AS A CAREER

Del Alamo gives back to ACIS

WITH \$1.5 MILLION PLEDGE FOR PROFESSORSHIP

For most teens, college is the first time they learn what it's like to live apart from their parents. For Jorge Del Alamo Jr. (ACCT '69), the lesson came earlier.

In 1961, Del Alamo's family sent the 14-year-old, his sister, and their cousin away from Fidel Castro's Cuba to the United States. The children lived in orphanages for six months until their parents could join them.

"That was an eye-opening experience, going from a place where people were really looking after you to where if, say, you didn't like the food and want to eat, that's just your problem," Del Alamo recalled. "But, looking back, it makes you a better person."

His family eventually settled in Danville, Va., where his father — an attorney in Cuba — found work teaching Spanish. After high school, Del Alamo took his first accounting class at a Virginia Tech satellite program in his hometown.

"It was like somebody turned on the light," recalled Del Alamo, who transferred to



Jorge and Lin Del Alamo

Blacksburg as a junior. "I knew I wanted to be an accountant. ... It's a very logical field of study. Things are supposed to balance. That squares with my personality, which is pretty orderly."

Del Alamo's skill at accounting and fluency in Spanish helped him excel at KPMG, where he was a partner for 23 years and did tax work for

international firms. He lives in Corpus Christi, Texas, but makes sure to stop by Blacksburg on regular visits to his parents, who now live in Charlottesville.

Del Alamo credits Virginia Tech with preparing him to succeed, and he is a major supporter of the Department of Accounting and Information Systems. He has given to the KPMG professorship held by Larry Killough and has endowed an accounting scholarship. He and his wife Lin have created an excellence fund to benefit the department and recently pledged \$1.5 million in future support for a professorship in accounting.

"You look back and realize you don't do all this on your own," Del Alamo said. "You owe this to a lot of other people, [like] your parents, but also [to] the university, for the great education and opportunity to gain confidence and mature and learn the value of hard work."

— By Albert Raboteau,
Development Communications

Digges pledges \$3 million

TO ESTABLISH CENTER FOR ENTREPRENEURSHIP

To the dismay of his MBA professors, Robert Digges (BAD '59) didn't bother to go on any job interviews as his graduation loomed. The McLean, Va., native was already making good money selling houses on the weekend, having gotten his broker's license while an undergraduate at Virginia Tech, and he planned to make his living working for himself in real estate.

It turned out to be a wise career move. Digges launched a series of successful real estate ventures after completing his MBA at the University of Virginia in 1961.

He developed land and built houses at first, then built and managed apartment complexes. Later, he founded a semiconductor company in partnership with his brother Thomas (metalurgical engineering '60).

Along with his wife, Kathleen, who died in December, Digges has been a major supporter of Virginia Tech, especially the Pamplin College of Business, which gave him its Distinguished Alumnus Award in 2000. Members of the Ut Prosim Society, Virginia Tech's most prestigious



Robert Digges and the late Kathleen Digges

group for donors, the Diggeses have pledged \$3 million to establish the Robert and Kathy Digges Center for Entrepreneurship.

"She gave me the encouragement to do

things for people in education," Digges said of Kathleen, a retired obstetrician/gynecologist who had worked at Huntington Memorial Hospital in Pasadena, Calif. "She loved classes, particularly medical classes. That was her hobby, going to medical classes and learning."

Digges says he succeeded as an entrepreneur by being able to recognize opportunities and being prudent. The current recession, he says, is a major challenge but also an opportunity for entrepreneurs.

"Somebody's loss is somebody else's gain," he says. "Even in an environment like today, there are a whole lot of opportunities. ... There are always opportunities to make a buck in this world."

Digges says he has focused his giving on professorships, because "all it takes is one professor to change somebody's life and give them the inspiration that could make a difference in the world."

— By Albert Raboteau,
Development Communications

DONORS HONORED

The college honored 48 of its benefactors at a special event last November. The evening included a ceremony at which Dean Richard E. Sorensen presented donors bronze plaques that are replicas of those displayed in Pamplin Hall honoring donors for their gifts.

Thanking the donors for their generous and loyal support, Sorensen said, “the college’s success is due especially to the support and leadership of those in this room, and we are deeply appreciative of this.”

Speakers included undergraduate scholarship recipients Allison Beckley, a marketing senior from Catlett, Va., who received the 2008 Emily Carrigg Specchio Memorial Scholarship, and Ryan Tompkins, a management senior from Salem, Va., a Freshman Merit Scholar-

ship recipient and a two-time Willis P. Blackwood Scholarship recipient.

Attendees viewed a short video, “Giving Back,” featuring several alumni and students who reflected on their educational experiences at Tech and the impact on their lives and careers: Wayne Hinman (MBA ’75); Ann Spencer (ACCT ’76, MBA ’84); Jim Hatch (MACCT ’72); Kurt Krause (MKTG ’80); Will Corbett, a finance senior from Pittsburgh, Pa.; and Sarah Perich (ACIS ’08), a master’s student in accounting.

Top photo, left to right, standing: John Saunders, Frank Smith, Vijay Singal, Hermann Buerger, and Michael Clarke. Seated: Danielle Saunders, Michele Buerger, Julia Buerger, Kathy Clarke. Bottom photo, left to right: Rick Perdue, Jennifer Perdue, Steve Bauman, Rick Parsons, and Linda Harrison Parsons.



JOHN KLINGE



JOHN KLINGE

MAJOR GIFTS

Eanes scholarships

Jasper R. Eanes (ACCT ’67) and Allyn Goodykoontz Eanes (ELED ’73), of Blacksburg, Va., have contributed \$50,000 to create the Douglas R. Eanes Memorial Scholarship in honor of Jasper’s uncle. The couple, who are longtime supporters of the college, have also added to the Jasper R. and Allyn G. Eanes Scholarship in Accounting, established in 2000.

West BASIS fund

William H. West Jr. (ACCT ’86) and his wife Mary Jane (FIN ’85), of Glen Allen, Va., have pledged \$100,000 to Pamplin to establish the William H. West Jr. and Mary Jane West BASIS Excellence Fund to support Bond And Securities Investing by Students (BASIS), a student-investor group. William West, previously with Wachovia, is managing director of Investure LLC in Charlottesville, Va. Mary Jane West is a former wholesale manager with Ryland Mortgage Co.

Davenport, Moore gifts

Kendley J. Davenport (MGT ’84, PAD ’84) and Pamela D. Moore (PSYC ’88), of Chicago, have pledged \$50,000 to establish the Kendley Davenport and Pamela Moore Leadership Development Fund in Hospitality and Tourism Management. Davenport and Moore have also made an additional \$50,000 bequest commitment to the college. Davenport is a senior vice president for Sodexo USA’s school services division. He currently serves on the hospitality and tourism department’s advisory board.

Kosciusko gift to Finance

Michael J. Kosciusko (FIN ’87) has pledged \$50,000 to create an excellence fund in finance, to be used at the discretion of the department head to support administration of the department. Kosciusko is managing director of Bank of America NA. He and his wife Kathleen live in Manhasset, N.Y.

Liuzzo ACIS gift

Carman J. Liuzzo (ACCT ’83) and Rebecca Liuzzo, of Cary, N.C., have pledged \$50,000 to create an excellence fund in accounting and information systems. Income distributions from the fund will be used to support administration of the department. Carman Liuzzo is vice president of Highwoods Properties Inc.

Whitt scholarship

Richard R. Whitt III (ACCT ’87) and Jeanne C. Whitt (ACCT ’87), of Glen Allen, Va., have pledged \$50,000 to establish the Virginia Owen Williams Memorial Scholarship in the accounting and information systems department in honor of Richard Whitt’s grandmother. He is senior vice president and chief financial officer of Markel Corporation. Whitt has served in various roles at Markel, which markets and underwrites specialty insurance products and programs. He visited Pamplin as a Wachovia Distinguished Speaker last fall (see p. 2).

HONORS / AWARDS



Michelle Klassen



Aaron Kroll

Pamplin undergrad researchers picked for ACC Meeting of Minds

Aaron G. Kroll, a management junior who is minoring in business leadership, and **Michelle Klassen**, a freshman in economics, have been selected to present their research at the April ACC Meeting of the Minds conference at North Carolina State University. Their presentations will be among six from Virginia Tech at the event, which showcases undergraduate research.

Kroll, who is from Christiansburg, Va., will present a paper about his work with business law professor Janine Hiller on the impact of virtual world communities on intellectual property rights. The emergence of virtual worlds such as Second Life has led to an increasing number of intellectual property questions, Kroll notes. "There are unique challenges to intellectual property rights as the line between

the virtual world and the real world slowly blurs." His research focuses on the impact on traditional concepts and protection of trademarks, trade names, and copyrights.

Klassen, who is from Ellicott City, Md., will present her study of OxyContin abuse and diversion in the Appalachian region, the causes of the problem, and the actions needed to address it. OxyContin, she says, has become a major problem in Appalachia since its introduction in 1995, because of its relative availability and public disregard for the dangers of its abuse.

Identifying the drug's appeal to users and sellers, she says, would allow actions to be taken to reduce the economic impact of the vast black market in those areas affected by the illegal activity. Klassen's project advisor is history professor Peter Wallenstein.



Devi R. Gnyawali, associate professor of management, has received the university's 2008 Alumni Award for Excellence in International Education. Gnyawali has led study abroad-programs in Japan, Hong Kong, and South Korea and has

worked with universities and other organizations overseas to develop and strengthen international collaborations. He has also made many contributions to curriculum development in international management. Award recipients receive a \$2,000 cash prize.



Pamplin Dean Richard E. Sorensen has been elected chair of the board of directors of Plastic Packaging Inc., of Hickory, N.C. He has served as a member of this board since 1981. Plastic Packaging manufactures bags and labels at its plants in

North Carolina for a wide range of industries.



France Belanger, professor of accounting and information systems, has received the University of Canterbury's 2009 Visiting Erskine Fellowship. She will spend eight weeks at the University of Canterbury in New Zealand in July and August,

conducting research seminars and working with the faculty and doctoral students in the accounting and information systems department. She plans to share her research experience in technology-mediated work and information security and privacy and to offer a public seminar on protecting children's privacy online.

College awards



Sattar Mansi

Sattar Mansi, associate professor of finance, is being honored with the college's 2009 Award for Research Excellence. His research has dealt with the effects of director issues, diversification, internationalization, CEO compensation, and managerial incentives related to the debt market. His current research focuses on the debt market, with applications related to corporate finance and financial markets and institutions (see p. 9). His major contribution has been in testing the impact of events on the debt market. He has examined, for instance, how U.S. multinational firms benefit or lose by doing business abroad and the

latter's effect on the cost of equity capital.



Jack Maher

Jack Maher, the John F. Carroll Jr. Professor of Accounting and Information Systems, has been selected to receive the college's 2009 Outstanding Faculty in Doctoral Education Award. Currently his department's Ph.D. program director, Maher teaches a Ph.D. seminar, Capital Markets in Accounting, as well as courses related to accounting information systems.

Teaching Excellence: The following have been selected to receive 2009 Pamplin Excellence in

Teaching Awards and Holtzman Outstanding Educator Awards: **Patty Lobingier**, accounting and information systems; **Laura Clark**, business information technology; **Randy Billingsley**, finance; **Pierre Couture**, hospitality and tourism management; **Lorraine Borny**, management; and **Eloise Coupey**, marketing. Billingsley and Coupey have been selected to receive university Certificates of Teaching Excellence.

Nancy McGehee, associate professor of hospitality and tourism management, has been selected to receive the college's 2009 Award for Outreach Excellence. McGehee has combined her research interests in rural and volunteer tourism development with the university's outreach mission through her work with the Virginia Tour-

AMA dissertation competition

Bige Saatcioglu, a doctoral candidate in marketing, won the American Marketing Association's marketing and public policy dissertation competition this year. Her dissertation proposal, "The Practices of Consumer Resistance Among the Working Poor," received the 2009 Marketing and Society Award. She will present her dissertation at the AMA Marketing and Public Policy Conference in May.



"My research explores the consumption practices of the poor and their acculturation strategies into a marketplace dominat-

ed by stereotypes about the poor," says Saatcioglu. She hopes that her work will be useful for public policy making, she says, given the crisis in affordable housing and increasing financial uncertainties for low-income consumers.

Saatcioglu, who is from Istanbul, Turkey, has accepted a faculty position at the HEC School of Management in Paris and will start teaching there in September.

Last fall, she received the ACR/Sheth Foundation Dissertation Grant Award from the Association for Consumer Research and the Sheth Foundation. Saatcioglu has also been selected to receive the college's 2009 Outstanding Graduate Student Award for her scholarly accomplishments.

National research honors for HTM



Muzzo Uysal

Faculty members, graduate students, and an alumnus of the hospitality and tourism management department received national honors for their research at the 14th annual Graduate Student Research Conference in Hospitality and Tourism in January in Las Vegas, Nev.

Professor **Muzzo (Muzaffer) Uysal** received the Michael D. Olsen Research Achievement Award, given annually for outstanding career contributions to the hospitality and tourism management academy. The award, named in honor of Tech's emeritus professor, recognized Uysal for his research productivity, service on editorial boards, and mentoring of graduate students.



Peter Kim



Suzanne Murrmann

Doctoral candidate **Beom Cheol (Peter) Kim**, professor **Suzanne Murrmann**, and doctoral student **Gyumin Lee** received a best paper award, the Harrah Research Center Outstanding Research Award, for "Psychological Empowerment and Organizational Commitment: a Mediating Role of Management Trustworthiness." Kim was the lead author of the paper, which was co-written with one other author.

Kevin Murphy (Ph.D./HTM '06) received the 2008 Emerald/EFMD Outstanding Doctoral Research Award for his dissertation, "An Exploratory Study of High-Performance Work Practices for Unit-Level Managers in the Casual Segment of the U.S. Restaurant Industry."

Murphy is an assistant professor in the Rosen School of Hospitality Management at Central Florida University.

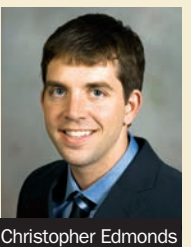
Edmonds, from Birmingham, Ala., is working on a dissertation that focuses on the role of accounting information in investment decisions.

Lance Matheson, associate professor of business information technology, has been selected to receive the college's 2009 Award for Excellence in International Programs Director of international programs since 2007, he has led 15 study-abroad programs since 2000. He was a consultant for a new Egyptian executive MBA program and is Pamplin's representative on the university's Oman education project.



Lance Matheson

ism Corporation, the National Park Service, the Chesapeake Bay community of Tangier Island, and nonprofit organization Los Niños in Tijuana, Mexico. She has directed six recent projects funded at more than \$350,000.



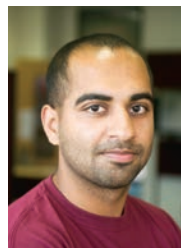
Christopher Edmonds

Christopher T. Edmonds, a doctoral student in accounting and information systems, has been selected to receive the college's 2009 Graduate Student Teaching Award. Edmonds teaches Intermediate Accounting 1. He has taught Intermediate Accounting 2, Introductory Financial Accounting, and Introductory Managerial Accounting.

Outstanding seniors honored



Stuart Vyule, of Christiansburg, Va., has been selected to receive the college's 2009 Outstanding Senior Award. Vyule graduated last December with a finance degree and was a recipient of the R.B. Pamplin and Chase Manhattan Banking scholarships. Vyule served as industrials sector head of the student-investing group BASIS. Through the high quality of his leadership and his own work in credit analysis, "he has led the way in getting others to do high quality work," noted finance professor and BASIS advisor George Morgan, on Vyule's contributions to the group. (see p. 20).



Adeel Khan, an accounting and information systems senior from Springfield, Va., has been selected to receive the college's 2009 H. H. Mitchell Outstanding Leadership Award. He is president of the Virginia Tech Class of 2009 and was student government president in his junior year. In the wake of the April 16 tragedy, he helped organize the candlelight vigil, community picnic, and a T-shirt sale that raised more than \$250,000 for the Hokie Spirit Memorial Fund. Khan has also been active in Hokies United, the Student Alumni Associates, and the Order of the Gavel.

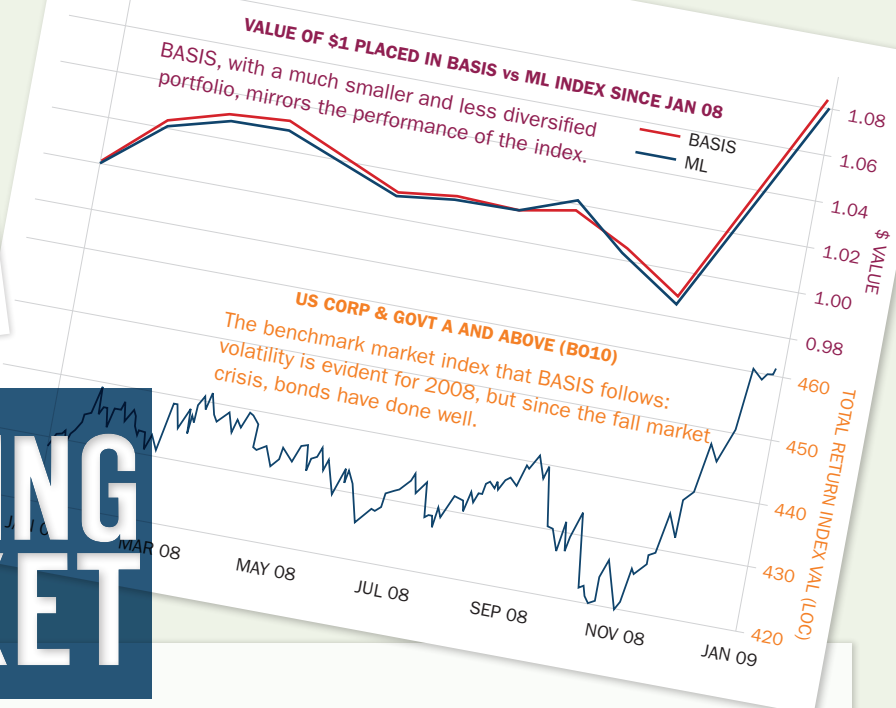


Jennifer Vaziralli, of Virginia Beach, Va., has been selected to receive the college's 2009 Outstanding College Service Award. Vaziralli, who graduated last December, majored in management and marketing and minored in leadership. Her activities included co-leading the corporate outreach committee of Business Horizons, co-directing community initiatives as a member of the Student Government Association executive board, and serving as the student representative on the Commission on Undergraduate Studies and Policies. At Leadership Tech, she helped freshmen in leadership development. She worked on Hokies United initiatives related to the April 16 tragedy and various natural disasters.

MICHAEL KIERNAN



OUTPERFORMING THE MARKET



Though investors have generally fared poorly in the current recession, the university's student investors in fixed-income securities have produced very favorable returns for the Virginia Tech Foundation.

Finance professor George Morgan says "it may surprise a lot of people that the bond market has done extremely well — with an annualized return of more than 12 percent since the start of the financial crisis in the summer of 2008." Virginia Tech's students have done even better, says Morgan. "We are particularly proud of how the BASIS portfolio performed in the difficult months of September and October, outperforming the market index as a result of being less risky than the market."

Morgan is a faculty advisor to BASIS (Bonds And Securities Investing by Students), along with finance professor Raman Kumar. The student-managed investment group was first funded in 2006, with full discretion by the foundation to buy and sell qualified fixed-income securities to achieve the best balance

between risk and return. This spring, the group has 23 undergraduates who are organized in "sectors" to analyze different parts of the global economy. Though the group's largest dollar holdings are in U.S. Treasury securities, more students are involved in the more complex areas of industrials, utilities, and financials.

"Our students do extensive analysis of the credit quality of the companies in those sectors and of the individual bonds that could be included in the portfolio," Morgan says. "One of the main issues they tackle is characterizing the risks and managing them in a way that allows the foundation to avoid unnecessary volatility while gaining a suitable return."

The students, he says, are delighted that they were able to return to the foundation more than \$900,000 in 2008 to help support Tech's budget and other initiatives. The group's portfolio at the start of 2009 had a market value exceeding \$4.2 million dollars.

Ben Marshall, a junior from Centreville, Va., and a co-CEO of BASIS, says "the group's dual mandate — to provide a competitive return

to the Virginia Tech Foundation and to help educate Virginia Tech's students — has proven a challenging task." But the group has succeeded on both fronts, he says, "thanks to its outstanding members, their hard work, and help from Dr. Morgan and Dr. Kumar." Furthermore, Marshall notes, "our members have continued the group's legacy of strong placement in internship and full-time positions."

For more information:
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