



NEBRASKA Business

An Electronic Magazine for Alumni and Friends of the College of Business Administration

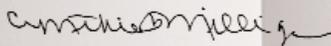
Dear Alumni and Friends,

The College of Business Administration at the University of Nebraska continues to enhance its position of excellence. In order to keep all of you informed of our activities, we are launching an electronic, on-line publication to complement our annual print magazine.

We hope you enjoy this first issue and pass it on to others you think would like to see it.

We welcome comments and suggestions from everyone interested in the College.

Sincerely,



Cynthia Hardin Milligan
James Jr and Susan Stuart
Endowed Dean

Editor:

Marilyn Hoskins

Photography:

Tom Slocum

Marilyn Hoskins

Volume 1, Issue 1

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in the forefront...

Lynn Turner visits The School of Accountancy

**“ The only product
an auditor has is
professionalism and
independence.”**



Before being inducted into the School of Accountancy Hall of Fame, Lynn Turner addressed students and faculty at a ceremony held at the Wick Alumni Center on March 7, 2002.

Accountancy, once one of the most highly regarded professions one could attain, on par with physicians and scientists, is now looked at with skepticism. In the last few months, the spotlight of acclaim has become the fierce strobe of anger and disbelief. The perception of accounting may be low, but the importance of educating high quality accountants has never been higher. On a recent visit to the College of Business Administration, Lynn Turner, former Chief Accountant for the SEC, told students that the opportunities for accountants are excellent at this time. The accountant can become the “brains for a business, controlling the financial information for a company is where the power is today.”

Lynn Turner has a Masters of Accountancy degree from the School of Accountancy. He unabashedly tells the students that he would not have the career he has, had it not been for the School of Accountancy and the professors who taught him. “I can go up against anyone from any of the well known schools in the nation, and come out ahead, with the education I received here.” The international and regional accounting firms must agree with Turner, as they all actively recruit the College of Business Administration accountancy students.

Educating qualified auditors is increasingly complex. The skills needed are more vast than even ten years ago. According to Turner, there is a need for a complete knowledge of management information systems and computerization in business; a good auditor should have a working knowledge of international implications in managing a business; and the base knowledge required is broader than years past, requiring auditors to have a sound understanding of how financial markets work. Turner recommends that every auditor study marketing, saying, “it is critical that auditors understand how products move and how that process affects the numbers.”

A student asked Turner what was the most important skill college graduates don't have. He responded, “Good communication skills, both written and verbal.” When dealing with complex and difficult issues, the auditor needs to be able to arrange thoughts quickly and express them clearly.



Lynn Turner visits the School of Accountancy

Lynn Turner, Former Chief Accountant for the SEC was at the college as part of the Visiting Scholar program. Mr. Turner is a former partner of Coopers & Lybrand (PriceWaterhouse Coopers). He then served as Chief Financial Officer and Vice President for Symbios, Inc, an international semiconductor and storage manufacturer. During his years with Coopers, Mr. Turner served two years as a SEC Fellow.

Currently, he is a professor of accountancy and Director of The Center for Quality Financial Reporting at Colorado State University.

Recently, Mr. Turner has appeared before Congressional and SEC hearings on Enron, and on many television news shows as an expert on the accounting profession.

Nancy Stara, Chair of the School of Accountancy, pointed out that the College of Business has the E.J. Faulkner Writing Lab, which specifically trains the students in written and verbal communication skills. In fact, many of the firms recruiting at the School of Accountancy mention the high level of communication skills the students possess.

Turner spoke at some length on the topic of auditor independence and the loss of trust in the profession. "The CPA certification is provided primarily for auditors, it certifies that the person has a thorough understanding of acceptable business practices and is independent. Auditors have a special responsibility to the public, notwithstanding a personal relationship with members of the company being audited." At some length, Turner explained that auditors are losing trust at this time because they are in complicity with company and financial market managers to provide numbers that obscure losses or potential losses within a company. "The only product an auditor has is professionalism and independence."

When asked how complicated financial reports can be transparent enough that the lay investor can understand them, Turner advised that the reports be written clearly and in common language. Some aspects of financial reports are very complicated, so investment analysts must do their job of independently interpreting the information for their investors into credible research reports. Accounting standards must be upheld because they reflect the economic reality of a company.

The greatest challenge facing accountants of any generation is ethics and morals. "It's not business ethics, but personal ethics and moral values, Business Ethics imply that there are differing standards for businesses, which is not true. Ethics are ethics, the circumstances are immaterial. An auditor must have spine," according to Turner. "At some point, a client will ask every one of you to do something you don't think is right. You must be able to tell them no."

In closing, Turner advised the students that auditing is an outstanding choice for a profession. There is a greater understanding today that an employee, manager, CEO, or board member who can interpret financial data can play a substantially valuable role within the private or public sector. ■



it's a dilemma...

Business Ethics

"Many say we are in a time of ethical crisis, but the greater crisis may be that of moral courage."

Article by:
Dr. Janice Lawrence

Ethics is the topic of much discussion lately. Ethics is a combination of values and attitudes and is influenced by your background, education and life experiences. Variations among these factors are one reason reactions to ethical dilemmas differ from person to person. Ethical dilemmas are not typically "wrong versus right" situations. Ethical dilemmas normally involve a "right versus right" decision. In such situations, you can't do one "right" without impeding another "right." We would all agree that telling the truth is right, but being kind and caring is also right. It isn't hard to think of situations that pit these two rights against each other. For example, your grandmother's cookies taste awful or a hardworking employee with limited skills is in for a performance evaluation.

Many say we are in a time of ethical crisis, but the greater crisis may be that of moral courage. Given an ethical dilemma, you may know what is ethical and right thing to do, and yet choose another course of action. This lack of moral courage is a reluctance to do what is right

because the "price it costs" is more than you want to pay. This cost isn't necessarily monetary; it could be in terms of effort, time, convenience, pleasure, status or recognition. Ethical responses vary according to your ability to reason ethically. Awareness and discussion of ethical issues are the most important factors in developing ethical reasoning skills. For this reason, including ethics education in the curriculum is crucial.

Many business colleges offer a stand-alone ethics course, but this separates the discussion of ethics from the learning of the discipline. The students tend not to see the application of ethics to their "real" life in stand-alone ethics courses. Therefore, students don't transfer or apply the theories and reasoning skills to decisions they make outside of the context of the ethics course. Our College of Business Administration has adopted an alternative approach to the stand-alone ethics course. We are integrating ethics into the current course curriculum. This allows students to become aware of the ethical dilemmas inherent in each subject area



"By integrating ethics into the curriculum, we are developing the ethical reasoning skills and moral courage of the business leaders of tomorrow."

Dr. Janice Lawrence
Associate Professor of
Accountancy
Assistant Director of the
Program in Business, Ethics
and Society

Dr. Lawrence has earned her
Ph.D. from Texas A&M
University. Her research inter-
ests include: Ethics and Moral
Reasoning, Auditor Skepticism,
Fraud and Irregularities, Foreign
Direct Investment, and
Governmental Audit Issues.

and discuss the application of ethics at the same time they are learning the subject matter. Faculty members are very aware of the important ethical issues in their own discipline and integrating a discussion of these ethical issues into their course provides students a context for evaluating their choices.

The goal is to help students learn to consider ethical issues just as they would other issues of theory and practice in each discipline. Discussions focused on ethical decision-making help students learn to identify issues, recognize relevant ethical principles and standards for behavior, evaluate alternative actions, and then analyze the consequences of their choices. Sooner or later, everyone in business is confronted by an ethical dilemma. Integrating ethics into the curriculum encourages students to practice their ethical decision-making in preparation for this inevitability.

By integrating ethics into the curriculum, we are developing the ethical reasoning skills and moral courage of the business leaders of tomorrow. ■

student entrepreneurs...

Dinosaurs, etc.

Capitol Corner Gift Shop



“Since every decision I make has an effect on the business, it is important to understand what is behind the decision.”

April Cornish (top)

Like any CEO, Senior Finance major April Cornish and Sophomore Business Administration major Jill Steffel manage product, supervise employees, and answer to a board of directors. It is all in a day's work for the managers of Dinosaurs, etc., the gift shop inside the University of Nebraska State Museum at Morrill Hall, and Capitol Corner Gift Shop in the State Capitol Building.



Erica Schlickbernd

Dinosaurs, etc. was in the process of closing when the Students in Free Enterprise (SIFE) organization purchased the inventory and equipment and began ownership and operational management of the shop in 1993. Since that time it has been an hands-on lab for students to learn the nuts and bolts of running a business.

In addition to April, the shop has an assistant manager, an accountant and part time sales assistants. All are members of SIFE. An interesting fact in the management of the shop is that the manager usually stays in place for only a year. How do they keep continuity? The “Dino-bible.” Everything there is to know about Dinosaurs, etc. is kept in meticulous detail, including sales figures, purchase orders, Advisory Board minutes and power point presentations.

Products are geared primarily to children who visit the museum and include teddy bears, beanie babies, rocks and other science and nature items, and one very large piece of petrified wood.

“The student owned and operated stores are a hands-on laboratory for experiments in entrepreneurial management.”

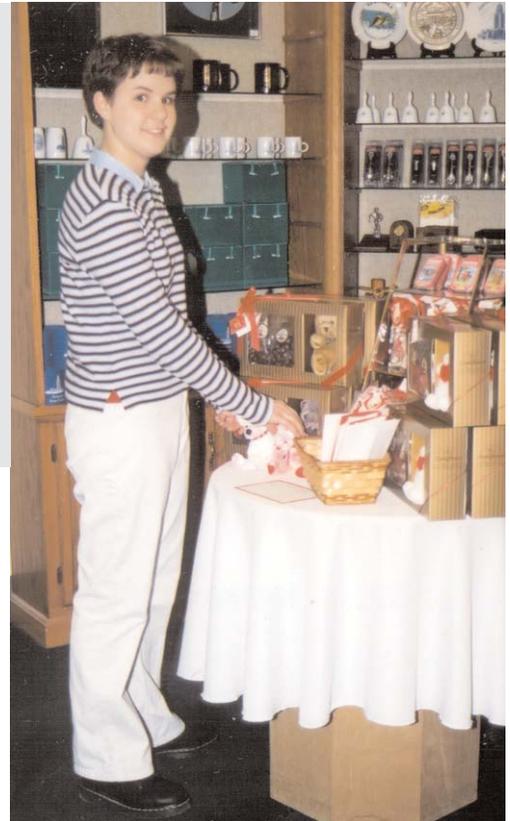
Dr. Terry Sebor
Director
Nebraska Center for Entrepreneurship

With an assistant manager to facilitate, April is developing a market study and a marketing plan, identifying the strengths – product lines and prices, and weakness – visibility and advertising, of her shop. When assistant manager, Erica Schlickbernd takes over this summer, the marketing plan will be in place and who better than Erica to implement it.

The SIFE students did so well at the State Museum; they were given another opportunity to own and operate a shop at the State Capitol Building. The Capitol Corner Gift Shop has only been in the students' hands since March of 2000. Jill sees similar weaknesses and strengths in her shop and is working with April and Erica in developing a marketing strategy.

Jill caters to a more adult crowd, and has many “made in Nebraska” craft items on display. She also stocks a few toiletry items and a good supply of cookies and candy, which keeps a flow of customers walking through her shop. A new twist for her shop occurred this spring when Mary Ridder, author of *In Benton*, arranged a book signing at the Capitol Corner Gift Shop.

Each Store is a separate corporation with its own advisory board. Dr. Terrence Sebor, Director of the Nebraska Center for Entrepreneurship, is adviser to both shops and Chairman of both advisory boards. He sees his role as a sounding board for the managers. The Advisory Boards are made up of members of the business community, accountants and attorneys. All the decisions about purchasing, marketing, advertising, hiring and compensating employees are wholly the responsibility of the student owner/managers. The businesses, which have a combined annual gross revenues in excess of \$100,000, are expected to earn a profit. Profits are used to fund scholarships. ■



Jill Steffel at the Capitol Corner Gift Shop

“I am learning that relating well to people is a critical skill in management.”

competitors, risk takers...

Heartland Free Enterprise Conference & Competition



Dr. Terrence Sebor
Director of the
Nebraska Center for
Entrepreneurship



infoUSA Graduate Business Plan

The first place winner was "Fluent Solutions" University of Wisconsin-Madison, Chad Sorenson and Jaime Villanueva.

The Nebraska Center for Entrepreneurship hosted its annual Heartland Free Enterprise Conference and Competitions, February 28th through March 2nd at the Cornhusker Hotel and Convention Center. More than 500 individuals including speakers, participants, competitors and honorees participated. The conference keynote speaker was Joline Godfrey of Independent Means, Inc.



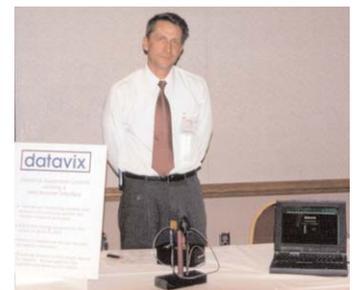
Allen Dayton Young Entrepreneur Scholarship Contest and Nebraska Excellence in Entrepreneurship Award

The Allen Dayton Young Entrepreneur Scholarship Contest recognizes Nebraska high school seniors with outstanding potential to become entrepreneurs and successful business people. Thirty finalists were selected from 925 nominees. The winner of a \$2,000 UNL Scholarship was Brad Zuger of Springfield, Nebraska. The winner of a \$1,000 scholarship was Jessika Uden. Other winners were Mollie Magnuson, Vincent Ryan, Andrew McPhillips, Kyle Steward, Gerardo Pena, Dillon Jenson, Andrei Vuia and Justin Ericson.



Donald Duncan-Duncan Aviation Undergraduate Business Plan

The first place winner was "Sandow S.K. Classic," University of Saskatchewan Daniel Murze and Cory Weiss.



Donald Duncan-Duncan Aviation Undergraduate Business Plan

The second place winner, University of Nebraska student, Bill Frost, under the direction of Dr. Terrence Sebor, presented a business plan for "Datavix." The company manufactures a device that enables industrial and scientific equipment to be controlled and monitored via a web browser. This small device can be retrofitted to almost any equipment to provide real time control, as well as reporting of important operating parameters. ■

Entrepreneur of the Year Awards



Jamie Gutierrez Vela



John W. Sehi



Johnny Rogers accepting for
Michael Green
Cynthia H. Milligan (right)



Paul Sandall



Thomas J. Lauvetz

What do an accounting firm, a maintenance company, an investment management company, a staffing company, a real estate development company and soft sculpture have in common? Their founders were all named “Entrepreneurs of the Year” by the Nebraska Center for Entrepreneurship on March 2, 2002.

Jamie Gutierrez Vela, President and CEO of Midwest Maintenance Company, directs the “Largest Minority Owned Business in Omaha”. Midwest Maintenance is one of Omaha’s largest building service contractors and maintains over 6,000,000 square feet of office and industrial space. Ms. Gutierrez Vela’s company was founded in 1965 by Paul and Alice Gutierrez and now employs over 300 people and is dedicated to serving her customers; many have been customers since the early days of the company.

John W. Sehi has formed and managed two accounting firms. The first was Auten, Gaines, Sehi, P.C, where he served as President until 2001. At that time, he formed his new firm, Sehi & Associates, P.C. He currently employs six accountants with offices in Norfolk and Clearwater, Nebraska. A focus for Sehi is small business consulting services, including business start-ups, acquisitions and sales, succession and retirement planning.

Michael Green is President and Chief Investment Officer of EverGreen Capital Management, which he established in 1989. Green graduated from the University of Nebraska in economics and marketing. He completed his MBA in 1977. EverGreen is Nebraska’s first and only minority-owned registered investment advisory firm. They manage nearly \$150 million for institutional and individual clients.

Paul Sandall began Advance Services, Inc., a staffing company, in May of 1994 in Norfolk, Nebraska. There are now 21 more offices throughout Nebraska, Kansas, and Iowa and they employ more than 60 people. Advance Services continues to grow and expand on Sandall’s dream of “doing staffing right,” benefiting its employees, customers, and communities they serve.

Thomas J. Lauvetz, founder of T.J. Lauvetz Enterprises, Inc., has undertaken 14 commercial real estate development projects totaling over \$20 million of new investments in Hastings, Nebraska. The keystone of his real estate development projects has been to revitalize a declining property by making it attractive to new businesses while at the same time preserving its original character and design.

Cody Foster, at the age of twelve, with guidance from his two grandmothers, began working with fabric soft sculpture. His creative and clever designs soon developed a regional popularity in Cherry County, Nebraska. In 1993, working out of his parents’ basement, Foster formed a wholesale company called “Backporch Friends.” His designs have become nationally recognized, and his work has been featured in *Country Living* magazine and the Museum of American Folk Art in New York. (Cody Foster is not pictured) ■

teachers, researchers, leaders...

Distinguished Teaching Award Winners



Dr. Kathleen A Farrell
Associate Professor
Finance
2001-2002 Distinguished
Teaching Award
Winner

"I focus on providing undergraduate students with the fundamental concepts necessary to operate in a continually changing finance environment. I stress that I cannot teach every example that they will face in the business community. But instead, I try to help them develop the concepts, tools, and analytical skills necessary to deal with any problem they may encounter in the corporate world."



Dr. Ronald D. Hampton,
Associate Professor
Marketing
2001-2002 Distinguished
Teaching Award
College Level

"Part of my teaching philosophy is to engage the student on topics of the day. What is happening in the headlines today often has specific marketing relevance to what I am teaching. No class is too large to engage in this manner. I also bring practical and applied knowledge to class in order to provide more concrete vignettes with which the student can identify. I want students to feel comfortable with the topic, with me, and with each other."



Dr. Linda V. Ruchala
Associate Professor
Accountancy
2001-2002 Distinguished
Teaching Award
College Level

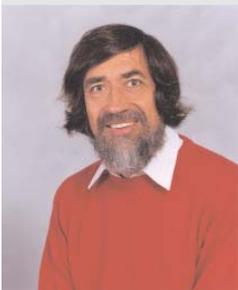
"I have taught at almost every level at the university, from first year students through doctoral students, for accounting majors and for non-business majors. This broad range has allowed me to reflect on the amazing array of teaching options, and the different needs of students. There are three themes that I use to impact student learning: 1) developing oral and written communication skills, 2) critical thinking and applied problem solving, and 3) developing personal initiative skills."

teachers, researchers, leaders...

Faculty News



Dr. Linda Price, E.J. Faulkner Professor of Marketing and Director of Agribusiness, and **Dr. Eric J. Arnould**, Professor of Marketing, in collaboration with Dr. George Zinkhan of the University of Georgia, have recently published a textbook, *Consumers*. This text is the first on the market to present a true global focus on the consumption habits of populations and the impact of society and culture in consumer behavior.



Hendrik Van den Berg, Associate Professor of Economics, recently published a new text book titled, *Economic Growth and Development*. The book examines why some economies provide their citizens with high standards of living, while others do not seem to be able to satisfy the most basic needs.

Dr. Sang M. Lee, University Eminent Professor and Chair of the Department of Management will be awarded the first ever Honorary Doctoral Degree in Business Administration from Bangkok University on November 21, 2002.



Dr. Fred Luthans, George Holmes Professor of Management, has been selected to be the recipient of a 2002 Distinguished Alumni Award in the Achievement category, to be presented by the University of Iowa Alumni Association. Awards are presented in three categories: Achievement, Service, and Young Alumni.



Dr. Bruce J. Avolio, Don and Shirley Clifton Chair in Leadership, gave a presentation to 35 CEOs at the Singapore Institute of Management on the impact of advanced information technology on leadership in today's organizations. He also worked with the Chief of Defense and senior officers on the transformation of the Singaporean Armed Forces.



Dr. Pat Kennedy, Associate Dean of the College of Business, and Associate Professor of Marketing was awarded the Outstanding Student Advisor of the Year award at the Chancellor's Leadership Recognition Ceremony, April, 2002, for her work with the College of Business Administration's Student Advisory Board.



aspiring leaders...

Graduate Students

Chris Luchs, an intern with the Nebraska Center for Entrepreneurship's Kauffman Social Entrepreneur Internship Program (KSEIP), won 1st place in the entrepreneur case writing competition, sponsored by the Kauffman Foundation on January 25-26, 2002.



An Agribusiness major, Chris was able to develop the case study and teaching notes from his internship with the Kimmel

Center. The Kimmel Center is a new organization developed from an alliance between the Kimmel Foundation, the University of Nebraska, and the National Arbor Day Foundation.

From a field of more than 2000, Chris competed in the finals against nine MBA students with his case entitled "When Great Minds Don't Think Alike." The award was a \$5,000 cash prize.

Graduate Teaching and Research Awards



Susan Jensen is the winner of the 2002 Graduate Research Award. She holds an MBA degree from Washington University in St. Louis, and was the Director of the Nebraska Business Development Center at UNK.

Susan is working with Dr. Fred Luthans on "Positive Organizational Behavior" and with Dr. Terrence Sebora on "Entrepreneurial Ethics" and has co-authored many papers on both subjects. She will participate in the Academy of Management's Doctoral Consortium this summer.



Peter Sherman is the 2002 Graduate Teaching Award winner. Peter expects to complete his Ph.D. work in the spring of 2003. He has an MBA from Creighton University and a BA in Economics from the University of Kansas. Before returning to academia, Peter worked as an investment banker in Omaha. Peter is teaching two sections of Management 475, "Business Policies and Strategies." Peter is also an advisor to SIFE, Students in Free Enterprise.