

Shareholders

SCHOOL OF BUSINESS AND ECONOMICS

NEWSLETTER FOR ALUMNI AND FRIENDS



applying classroom learning

Students Getting a Head Start on Careers

SHEILA VORTMAN, DIRECTOR, CENTER FOR APPLIED LEARNING

David Wills did it all while a student at Seattle Pacific University's School of Business and Economics. Vice president of Casadelink, a wireless and high-speed data-link provider, Wills took advantage of practical experience opportunities through the Center for Applied Learning (CAL), which include service learning, mentor, internship, and entrepreneurship programs.

"I learned about business culture and networking from face-to-face contact with business owners and leaders through class projects and mentors," says Wills.

His first mentoring experience was with Chuck Simchuk of Horizon Air, an experience Wills called "terrific!" He also benefited from service-learning projects in organizational behavior and marketing classes. For one project, he and his team raised money to provide supplies for a missionary family in Venezuela through the sale of donated CDs. In another, he helped create a marketing campaign for Seattle's Union Gospel Mission. "It was cool to work on a real project for a real company," remarked Wills.

While attending SBE, Wills also helped friends start a wireless company. The firm, Cascadelink, specialized in providing Internet services to marinas. He decided to use this experience as an internship. Although not a typical internship, Wills used the assignments to network with other business leaders and owners. "This proved to be a good move," Wills says. "I got more out of it than if I had served an internship somewhere else."

In his senior year, while developing a business-expansion plan for Cascadelink in the entrepreneurship program, Dave was mentored by Todd Marker from the venture capital firm of Buerk, Dale, Victor. "He gave me insights into what Cascadelink would need to consider when seeking capital," says Wills. "His advice helped me develop a financial plan that really made sense for the business."

Then in Spring 2003, Wills entered his Cascadelink plan in the University of Washington Business Plan Competition, which he describes as an "exciting and humbling experience." The plan progressed into the investment round, and the firm's founders set up a booth and gave their 60-

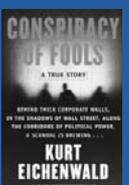
The firm's founders gave their 60-second elevator pitch to 100 judges.

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DIRECT FROM THE DEAN



Rigor and Relevance — SBE Delivers Both

JEFF VAN DUZER

By whatever means they choose — running businesses, offering internships, encouraging action research, consulting, and so forth — business school faculties simply must rediscover the practice of business. ... The challenge is to restore balance to the curriculum and the faculty: We need rigor and relevance. (Bennis, W. and O'Toole, J. "How Business Schools Lost Their Way," May 2005, Harvard Business Review)

Earlier this year, the *Harvard Business Review* added its prestigious voice to a growing number of commentators questioning the heavy emphasis on scholarly scientific research found at most business schools. According to this article, too many faculty members have too few connections with real businesses and too little research is being conducted in a way that will actually enable graduates to make good business decisions.

At SBE we have been making connections with real businesses for a long time. For more than a decade, our programs have been distinguished not only for their ethical underpinnings but also for their applied emphasis on the actual practice of business. As articles in this edition of *Shareholders* will attest, our Center for Applied Learning facilitates mentorships, internships, service-learning opportunities, various entrepreneurship projects, and brings guest speakers to our campus. Our classes routinely use case studies, live-fire assignments for existing companies, simulations, and team projects to ground theory in concrete business choices. Many of our faculty have come out of business and a number maintain active consulting practices. In short, we are convinced that we will not accomplish our mission — that is, our students will not be able to "engage the culture and change the world" — unless our programs do a good job of preparing them for the on-the-ground, real-life world of business.

As always, we would welcome your partnership in these efforts. Please don't hesitate to let us know if you would be interested in mentoring one of our students, speaking in one of our classes, hosting a group of students for breakfast, working with our students on real-time projects, or employing our student as interns. The more, the better.

THE SCHOOL OF BUSINESS AND ECONOMICS

"ANOTHER WAY OF DOING BUSINESS"

M.B.A. Student Displaced by Katrina Comes to SPU

"I was in the first week of my last class as an M.B.A. student at the University of New Orleans when I had to evacuate," says Carl Lubrano. "It was the third time in six months, and we'd had so many close calls in the past that each time we packed less and less." But this time, Hurricane Katrina hit — leaving homes, schools, and businesses in shambles.

Moving west with his parents and grandmother, Lubrano found himself in Houston, Texas, for nearly a week. Soon, he drove his grandmother to Lynchburg, Virginia, where she'd stay with other relatives. There, Lubrano began surfing the Web for a school that offered the final course he needed, and hadn't yet begun its autumn term.

Discovering Seattle-area universities began their school year in late September, he sent emails to three, including Seattle Pacific University. Debbie Wysomierski, associate graduate director in SPU's School of Business and Economics (SBE), quickly replied. "September 7th was my first contact with Carl," remembers Wysomierski. "By the 9th, we had it worked out that he would come."

The SBE arranged to pay for the textbook for his course, Strategic Policy and Planning; and Wysomierski walked him through registration. "[Dean] Jeff Van Duzer was also very supportive and offered a lot of assistance," he says.

Only weeks after his longtime family home had been flooded — and he had gone from Texas to Virginia — Lubrano was back in his car. "I drove 12 hours a day for four days," says Lubrano. "I was doing 800 miles a day." When he arrived on campus, he'd brought most of his possessions: two suitcases with clothes, some books, and his computer's CPU. He received a hotel voucher from FEMA to cover housing. He was already settling in at SPU when one of the other two Seattle-area universities replied to his initial email.

Lubrano says he is grateful for Seattle Pacific's ongoing support, including that Van Duzer gave his résumé to SBE Executive Advisory Council members. "I feel like I have a clean slate," says Lubrano. "I'm keeping my options open now. If I could find a job in Seattle, I'd stay."



Carl Lubrano

APPLYING CLASSROOM LEARNING

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second elevator pitch to 100 judges and would-be investors. "It was nonstop pitching the business for a couple of hours," Wills recalls. The plan attracted the interest of the judges, and moved into the semifinal round of 16 teams.

Although Wills' team did not make it into the final round, what they learned benefited Cascadelink. Feedback from a judge explained that the winning team gave a better presentation, although Wills' team had a better plan. "That lesson helped me focus on presenting ideas in a clear, meaningful, and enthusiastic way," he says.

Following his Seattle Pacific graduation in 2003, Wills joined Cascadelink. Today he co-manages the day-to-day operations with his partner. The growing company is rolling out new WiFi hotspots and launching a new WiMax-class network in downtown Seattle.

Scott Krager, founder and CEO of NotaryOne, also leveraged applied learning at SBE to launch a business. Krager transferred to SPU, he says, because he was interested in "stretching my faith, and seeing how that would fit — and if it would — with being a businessman."

Since his sophomore year, Krager had owned and operated a mobile notary company on a part-time basis, and he wanted a business school with an emphasis on applied learning. Through CAL, he found ways to enhance his particular gifts.

Krager's internship was with UBS, an international bank and wealth management firm. An entrepreneur at heart, Krager found that a career in a large firm wasn't for him. "I didn't want to work at a large corporation ... unless that corporation was mine," says Krager.

So Krager signed up for the entrepreneurship program with the intention of expanding his part-time notary business into something much larger. The program matched him with another entrepreneur, Linda MacIntosh, founder of an online authentication firm. She mentored Scott as he developed his business plan. "Linda gave me great pointers on 'electronic' notarization technology, which is the direction this industry is heading, and how I might adapt it for NotaryOne," he says.

Like David Wills had done two years earlier, Krager entered his NotaryOne business plan in the University of Washington Business Plan Competition. "Entering the competition was probably the best business move I've made thus far!" Krager says. "I gave our pitch to dozens and dozens of judges and, by the end of the day, I was exhausted and voiceless."

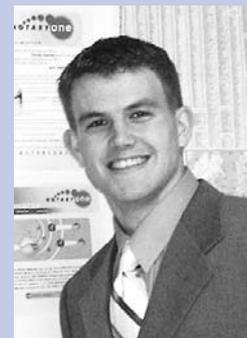
Although NotaryOne was not selected to move into the semifinal round, Krager met a venture capitalist at the event who has become an advisor to the firm. "At the reception after the round closed, I was approached by one of the judges who wanted to talk further about NotaryOne. Twenty minutes later he used the word 'us' when referring to the business." Now the judge is an active advisor. "He's with a prominent firm and has greatly contributed to NotaryOne's success so far," says Krager. "With his help, we engaged a number of interested angel investors and will soon close our first round of financing."

Like Wills, Krager is proud of the progress his firm is making. "It's a lot of fun right now — a lot of work, but exciting," he says. "Some days I don't get home until 3 a.m., but that's just how a start-up goes. It really doesn't feel like work. I know this is where God wants me right now."

David Wills and Scott Krager are only two of many SBE students who have taken advantage of opportunities for networking and learning business skills in a real-world setting. SBE Dean Jeff Van Duzer believes applied learning is central to business education. "This is especially true at SBE where developing character and competence go hand in hand," explains Van Duzer. "We are grateful to the many community partners who work with students as mentors, coaches, intern supervisors, and clients. Applied learning would not work without them."



David Wills



Scott Krager

Entrepreneurship Students: Bringing Business to Start-Up

SHEILA VORTMAN, DIRECTOR, CENTER FOR APPLIED LEARNING

There isn't anything more gratifying than seeing a student take a plan developed in my class and open a business," says Herb Kierulff, the Donald Snellman professor of entrepreneurship and finance. It's an experience he's had repeatedly since joining Seattle Pacific University's School of Business and Economics in 1983.

Because Kierulff believes the best way to learn entrepreneurship is to do it, he was the inspiration and architect behind the Center for Applied Learning's entrepreneurship program. Students in the program learn how to put together a business plan and integrate their learning across disciplines in *actual* business situations.

The Center for Applied Learning (CAL) recruits entrepreneurs and small-business owners to work with students on real-world projects. An entrepreneur with a new idea, but little experience in start-up, has a good chance of finding a student team from SPU. Twenty to 30 undergraduate and graduate students work on business plans each year, gaining experience developing plans for real products and services. During the last few years, student teams working with entrepreneurs have evaluated the prospects for a Girl Scout summer camp in Carnation, Wash., a cosmetics line for Asian women, commercial applications for acoustical imaging technology from the Pacific Northwest Laboratory, and a biodiesel start-up. The "Acting on Aids" project, now nationwide and operating through World Vision, was an entrepreneurial plan developed by James Pedrick '04 and a team of SPU students.

Every year, Kierulff and other SBE faculty encourage students to enter their business plans in the University of Washington Business Plan Competition held in April and May. The 100 judges use theoretical money, \$1,000 each, and allocate funds to those 36 companies in which they would invest. The 16 plans attracting the most investment go forward to the semifinal round. Four of the 16 become finalists and have two hours to persuade the judges that their plan is best.

In the last five years, six plans entered by SPU students have been selected to compete in the investment round. Three of the six made it to the semifinal round, and all three student entrepreneurs took their businesses to start-up.

Sometimes students come to the entrepreneurship program to develop business plans for their own enterprises or expansion plans for their families' businesses. Class of 2005 graduate Caleb Whitmore used his plan to found Voltava Communications. "This program delivered a kick start for me," says Whitmore. "The plan was something I could show to investors, bankers, prospective employees, and others who could help me get the business started." Voltava Communications, a wireless service for rural communities, is now signing up customers in the Yakima Valley.

The discipline of developing a business plan is a core business skill. Even if the plan isn't feasible in practice, the experience is not wasted. Says Kierulff, "After all, one important reason to do a plan is to test feasibility."



Herb Kierulff

Mentors Give Students Real-World Perspective

MARK OPPENLANDER, COORDINATOR, CENTER FOR APPLIED LEARNING

When senior Joe Kappler signed up for the School of Business and Economics' mentor program through the Center for Applied Learning (CAL), he was matched with Frank Haas, president and CEO of Florida Leisure Communities. To his surprise, the career counseling turned into real friendship. "I never thought I would be going with him to a Mariners game or a dinner at Anthony's," says Kappler.

Since its inception in 1997, CAL has matched more than 900 students with business professionals in a field or industry of their interest. Through a series of meetings, students explore a business or career from an insider's point of view. Because each student comes to the program with individual career and networking goals, their experiences are as unique as the students themselves.



Junior Amanda Kinman came to the mentor program to confirm her career choice. "I had always wanted to be a buyer and work in the fashion world," says Kinman. "But through meeting with a buyer, I discovered that I am more interested in human resources and sales.... The mentor program has been a great tool in discovering what would *not* be a good fit for my career."

Jeremy Burger did find his niche. Through his mentor, Joe Maas of Synergy Financial Management, LLC, Burger saw how a financial planner can make a difference in a client's life. "It reaffirmed what I was learning in the classroom," says Burger.

The relationship between Burger and his mentor was so good that Burger asked Maas for an unpaid internship — despite the fact that Synergy had never utilized an intern before. Maas agreed. Now Burger, a 2004 SPU graduate, works for Synergy full time.

More and more students are looking to mentors for assistance. In its early years, CAL matched 80 to 90 students per year. In the most recent academic year, 167 students were placed with mentors. SBE students who have positive experiences spread the word about the program to their friends, both in and out of the business majors.

Students are encouraged to personalize the mentor experience by asking questions relating to their goals. Some students gain perspective on issues extending beyond the walls of the workplace. Junior Tany Slater met with Lynn Jorgensen, director of Northern Region Human Resources for the Federal Reserve Bank of San Francisco. "One of the best meetings I've had with Lynn was when she had five of her senior managers at the Fed meet with me for lunch," remembers Slater. The managers offered advice on balancing career and family, assuring her it can be done.

CAL mentors come from a variety of sources. Some are Seattle Pacific University alumni; others are friends and contacts of SBE faculty and staff. In a few cases each quarter, new mentors are solicited from the business community to fill specific student requests — perhaps entrepreneurs, firefighters, or hotel managers. Yet they all share professional success and a willingness to be a resource for students who desire to see the real world of a particular career or industry up close. Over 500 professionals have volunteered their time over the life of the program.

Editor's note: If you would like to mentor a student, please contact Mark Oppenlander at 206-281-2942 or marko@spu.edu.

Briefcase

NOTES FROM AROUND SBE

DON'T MISS THE SBE HOMECOMING BREAKFAST

As part of Homecoming 2006, SBE alumni are invited to a complimentary "Breakfast With the Dean" on Saturday, January 28, 9–10:30 a.m. in McKenna Hall Room 117. A special guest speaker will be featured in the program. RSVP to Debbie Wysomierski at djwysom@spu.edu or 206/281-2753 by January 20.

FACULTY AWARDS

The 2004–05 annual awards for outstanding contributions to the mission of SBE have gone to: Teacher of the Year, **Jim Rand**, clinical professor; Scholar of the Year, **Gerhard Steinke**, professor of management and information systems; the Dean's Service Award, **Ross Stewart**, professor of accounting; and Adjunct Instructor of the Year, **Terry Greve**.

SBE STUDENTS STUDY ABROAD

Two groups of students submerged themselves in unfamiliar cultures this fall. Seven students spent two weeks in Oxford, England, where **Ken**



Knight, professor of management and information systems management, led a

seminar in international business. One student remained to complete the fall term at a European university.

A second group of seven studied in Beijing and Shanghai, China, with **Joanna Poznanska**, professor of international business, and **Doug Downing**, associate professor of economics. They also spent two months at Southwest University in Beibei, near Chongqing. In December, the group flies to Hong Kong, where **Gerhard Steinke**, professor of management and information systems, will conduct the second part of SBE's seminar.

A "CHANGING OF THE GUARD"

Ruth Myers, right-hand person to deans of the School of Business and Economics since 1987, retired September 30, 2005. As office manager and events coordinator, she helped plan and execute numerous SBE- and University-sponsored events. She and her husband, **Ray Myers**, SPU professor of science educa-

tion, relocated to Greenville, Illinois. They plan to volunteer with organizations that provide housing for the poor and assistance to victims of domestic abuse. Assuming Ruth's duties is **Lindsey Peterson**, who formerly worked in SPU's Finance Office.

OUTSTANDING SPEAKERS VISIT CAMPUS

On October 17, approximately 100 undergraduates heard



John Valaas

John Valaas, president and CEO of Bellevue-based First Mutual Bank. Mr. Valaas also serves as chair of the Bellevue Chamber of Commerce. He spoke about corporate ethics and what it means to be a community bank in 2005, when new forces are creating a "flat world." Students brainstormed about impacts on banking and other businesses in the new international milieu.

Entrepreneur **Gary Ginter** spoke to students and faculty on October 20. Ginter founded the commodities-option market in Chicago in the early 1980s. Today he heads four companies, including one to develop more environmentally

friendly combustion engines for automobiles and airplanes, and another that is an investment hedge fund. Ginter's challenge was to "radial stewardship" through charitable giving and investment in socially and environmentally redemptive enterprises.

On November 2, graduate students heard **Prabhu Gupta**, a globally connected Christian business executive who is the director of Organizational Development for UBS in Wolfsberg, Switzerland.

SALLY JEWELL, CEO OF REI, SHARES BUSINESS VISION

About 340 students, faculty, and guests gathered on November 9 to hear **Sally Jewell**. The luncheon event was the fifth of SBE's annual Distinguished Speaker Series, sponsored by the Baldwin Group. REI, one of *Fortune* Magazine's 100 Best Companies to Work For, recently took the innovative step of providing medical coverage for all employees regardless of the number of hours they work. Before joining REI, she spent 19 years in the banking industry, holding executive leadership roles. Her topic was "REI: Doing Well by Doing Good."



Denise Daniels



Doug Downing



Dan Hess



Gary Karns



Ross Stewart

Faculty notes

PUBLICATIONS, PRESENTATIONS, PROFESSIONAL ACTIVITY

DENISE DANIELS presented a paper at the Academy of Management's national conference in August 2005. She will publish a second paper in an upcoming issue of the *Journal of Applied Psychology*. Both papers deal with effect of empathy, consideration of consequences, and time horizons on organizational members' behaviors.

DOUG DOWNING has completed the fourth edition/revision of his book, *Calculus the Easy Way*. He also presented a paper on investment incentives at the Western Economic Association's July 2005 meeting in San Francisco, California.

DAN HESS presented a paper entitled "Ethical Behavior and Corporate Financial Performance" at the Mountain Plains Management Conference in October 2005.

GARY KARNS authored an article in the August 2005 *Journal of Marketing Education* titled, "An Update of Marketing Student Perceptions of Learning Activities: Structure, Preferences, and Effectiveness."

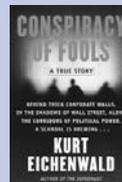
ROSS STEWART presented a paper with other colleagues before the American Accounting Association Annual Meeting in August 2005 titled, "Escaping the Iron Cage: A Weberian Agenda for Accounting."



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Books



CONSPIRACY OF FOOLS: A TRUE STORY

BY KURT EICHENWALD

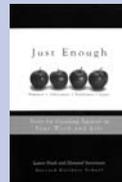
A gripping, chronological account of the fall of Enron written at the pace of a novel and making lessons from Enron accessible. A painful message of human failure and greed with an eye to shortsighted gain and loopholes in the law. A very good book.



THE WORLD IS FLAT: A BRIEF HISTORY OF THE TWENTY-FIRST CENTURY

BY THOMAS L. FRIEDMAN

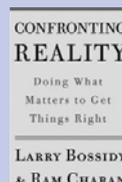
Friedman shows how technology has radically transformed business and society. The connecting of the world through telecommunication has led to outsourcing, new competitors, and convergence of industries. Even small businesses find themselves faced with worldwide competition and should dig into this very readable analysis. Highly recommended.



JUST ENOUGH: TOOLS FOR CREATING SUCCESS IN YOUR WORK AND LIFE

BY LAURA NASH AND HOWARD STEVENSON

How much is enough? The authors offer insight by breaking success into categories of happiness, achievement, significance, and legacy. Based on the authors' interviews with CEOs, this analysis is worth reading and rereading at various points in a career.



CONFRONTING REALITY: DOING WHAT MATTERS TO GET THINGS RIGHT

BY LARRY BOSSIDY AND RAM CHARAN

A sequel to *Execution*, this book is concerned with doing the right thing as opposed to doing things right. Unfortunately, the authors build on the premise that the right thing is to maximize shareholder returns. Worthwhile to read in conjunction with *Just Enough: Tools for Creating Success*, but the good insight is outweighed by the premise.

You can find more complete reviews of these books at www.ethix.org.

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