

SCHOOL OF BUSINESS REPORTS

UNIVERSITY OF SOUTHERN INDIANA

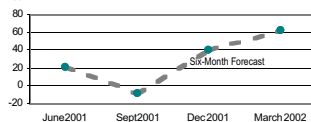
Looking up

Quarterly survey indicates improved business forecasts

The future is looking good for general business conditions in Southwestern Indiana. In March, 69 percent of reporting firms in the Business Conditions and Outlook Survey felt that future business conditions were likely to improve over the next six months while six percent indicated that conditions were likely to get worse.

Business sentiment about conditions in the economy of Southwestern Indiana

Diffusion Index*



*Percentage of respondents indicating better conditions minus percentage indicating worse conditions

The March figures show improved expectations compared to the sentiments expressed in the December 31 survey. At that time, 51 percent of the reporting firms anticipated improved business conditions while 10 percent expected worsening conditions.

The quarterly Business Conditions and Outlook Survey is a joint project of the School of Business and the Metropolitan Evansville Chamber of Commerce. Several hundred firms participate in the survey, which

See **Indicators**, page 2

What an M.B.A. can do for you

It gives you and your company an advantage

Who needs an M.B.A.? The Master of Business Administration degree can benefit working professionals from almost any field who desire to be managers, who seek career advancement, or who want to handle their current responsibilities more effectively. The M.B.A. is not only for people who have completed an undergraduate degree in business.

Dr. Ernest H. Hall, associate dean of the School of Business and director of the M.B.A. program, said USI's M.B.A. roster includes, as expected, students who completed an undergraduate degree in a business major. But also on the rolls are individuals from engineering, health care, liberal arts, and other fields.

"The benefit of the program is in its breadth," Hall said. "Exposure to all areas of business adds value."

In the paragraphs that follow, four M.B.A. graduates tell what the program has meant to them.

Elizabeth Kalb, Ph.D.

When Dr. Elizabeth Kalb, a clinical psychologist, enrolled in the M.B.A. program, she had a strong liberal arts education with little or no background in business.

"I was teaching in the family practice residency program at St. Mary's, teaching at the Indiana University School of Medicine Evansville Center, and directing clinical work," she said. "I felt I was a good clinician and teacher, but I needed to know something about how businesses work and something about marketing."

Her job responsibilities with St. Mary's Health Services in Evansville included some administrative activities and an increasing amount of consulting. Kalb earned a bachelor's degree from the University of Iowa and master's and Ph.D. degrees from Iowa State

See **M.B.A.**, page 4

M.B.A.s study how to think, how to lead

Today's M.B.A. students are tomorrow's leaders.

A new course in the Master of Business Administration program is building leadership skills that will prepare graduates to take on additional responsibilities or improve their performance in their present jobs.

Dr. Kevin Celuch, professor of marketing and Blair Chair professor of business science, focused primarily on improving critical-thinking skills for the course, called Leadership Skills Development, during the spring

semester. He describes critical thinking as a comprehensive discipline system that helps students become more aware of how they think and how they can improve their thinking. Elements of critical thinking include awareness of assumptions, facts, different points of view, and the implications and consequences of a decision.

Jennifer Rice, an assistant vice president at Old National Bank in

See **Leadership**, page 5

Moving forward with sustained confidence

E-business program continues mission to prepare graduates for region's workforce

By Phil Fisher

This spring the University of Southern Indiana awarded over 1,400 degrees, over 330 of them in business. Both of these are record numbers. The continued growth of the University is evidence that our mission, which is to serve the people of the state of Indiana by providing access to all qualified students and offering programs that prepare our students to meet the needs of the region, is gaining wider and wider appreciation.

Despite a somewhat slower job market for the 2002 graduates, there are many reasons to be confident about what lies ahead for them. Job losses in our immediate area have not been as severe as in many other places in the nation. Over the past two years, the Evansville Metropolitan Statistical Area (Vanderburgh, Posey, and Gibson Counties and Henderson County, Kentucky) lost about 3,400 jobs, or a little over two percent of all non-farm jobs. Only about 1,200 of these jobs were in manufacturing; in some sectors, such as hospitality and financial services, jobs have actually increased. Indeed, employers in some area businesses report a shortage of qualified applicants for jobs. The longer term outlook is brighter. Most economists believe that we are

coming out of a short and mild recession and that hiring will increase next year.

Despite the much publicized demise of dot.com companies, the outlook for the continued integration of Internet technology into existing businesses remains good. Chip manufacturers recently recorded the largest quarterly increase in orders since 1996, an indication that business spending for technology and the people to support it are going to increase.

Earlier this year, the Indiana Commission for Higher Education approved our proposal to offer a major in e-business. We did this on evidence that there is a need for people with this kind of education in our region. The program offers a combination of business and computer courses that will prepare our students to work in companies that are using the Internet to improve the efficiency of their operations and to manage their supply chains. The program was developed with the assistance of 14 area consultants and technology managers with responsibility for implementing



Fisher

e-business applications in their companies, so we are confident that the program is designed to meet the needs of today's employers.

State funding for higher education will be less than we had anticipated this year; but if the cuts are of a short duration, we should be able to continue to improve our programs and to move forward. Unfortunately, we are going to ask our students to bear more of the cost of technology, but the University of Southern Indiana will continue to be the lowest-cost four-year public university in the state.

As evidence of our continued improvement, I am pleased to report that this fall the accounting program will be evaluated by a team of experts from AACSB International—The Association to Advance Collegiate Schools of Business. Five years ago our school became one of 12 schools in Indiana to have earned AACSB accreditation for our business programs. If we are successful in gaining AACSB accreditation for accounting, we will join only two other programs in the state with this recognition.

While this has been a year of horrific acts of terrorism and economic uncertainty, the people and institutions of this nation have continued to move forward in the spirit of optimism and achievement that have made us the envy of the world. Our overarching aim is to create opportunities for a better life, and we will do it.

Indicators

Continued from page 1

measures a number of economic indicators. **Dr. Mohammed Khayum**, professor of economics, said that implementation of the second stage of the quarterly report is complete with the construction of a diffusion index (percent of firms indicating better economic conditions minus percent of firms indicating worsening conditions in the future).

Khayum said, "The index illustrates business sentiment about local economic activity six months into the future. We needed several complete surveys before the diffusion index could be created."

From December to March, the diffusion index rose from 41 (51 percent reporting business conditions likely to improve minus 10 percent reporting conditions likely to get worse) to 63 (69 percent minus six percent). This is the highest reading since the survey started in June 2001. Both the December and March reports indicated a rise in business sentiment.

For the next stage of implementation, Khayum plans to construct diffusion indexes to measure expectations about future economic activity for various industries/sectors in the economy of Southwestern Indiana.

See the complete *Business Conditions and Outlook Survey* on the Web <http://business.usi.edu/survey/>

Three recognized with excellence awards

The School of Business has recognized three faculty members for their excellence in teaching, service, and research during 2001-02.

Jeanette Maier-Lytle, instructor in accounting, received the award for teaching excellence. **Dr. Daniel L. Friesner**, assistant professor of economics, was cited for research. **Dr. Abbas Foroughi**, professor of computer information systems, received the school's service award. Foroughi also received the University-wide Berger service award. (See story below.)



Elizabeth Courtney-USI

Brian McGuire, left, chair of the faculty awards committee, and Phil Fisher, right, dean of the School of Business, congratulate Jeanette Maier-Lytle and Daniel L. Friesner.

School of Business award winners are chosen by their peers. Awards were presented in the spring.

Dr. Abbas Foroughi presented community service award

Dr. Abbas Foroughi, professor of computer information systems, received the Sydney L. and Sadelle Berger Faculty Community Service Award for his work in the community. The award, presented by the USI Faculty and Academic Affairs Committee, was announced March 19 during the School of Business Honors Program.

Much of Foroughi's community work focuses on programs that benefit young people. He is chair of the Rotary Club's Education Committee, which collaborates with public and private schools to implement enrichment programs. His contributions to Rotary earned him the distinction of Rotarian of the Decade, 1987-97. He was a

member of the Board of Directors of the Raintree Girl Scout Council and a member of the School Improvement Team for Plaza Park Middle School and is active with the Metropolitan Evansville Chamber of Commerce's Tri-State Workforce Initiative.

Foroughi is coordinator of an e-business initiative for the school, a member of the graduate faculty, and a member of the Faculty Senate.



Foroughi

McGuire named IMA president-elect

Dr. Brian L. McGuire, associate professor of accounting, has been named president-elect of the Institute of Management Accountants. He will assume office August 1 as president-elect for 2002-03 and will serve as president the following year.

McGuire is a certified public accountant and a certified management accountant. He has been active at the national level of IMA since 1989.

IMA is the world's largest professional organization devoted exclusively to management accounting and financial management. It has 75,000 members, nearly 300 chapters, and several international affiliates.



McGuire

Sudesh Mujumdar studies customs corruption to win dissertation prize

A study of "speed money" and other customs corruption has earned recognition for **Dr. Sudesh Mujumdar**, assistant professor of economics.

The Department of Economics at the University of Cincinnati has awarded him the 2001 Valentine Prize for the outstanding dissertation. Mujumdar completed a Ph.D. in economics at UC in June 2000.

"Customs officers, especially in developing countries, will often deliberately slow down or delay the process of clearing a firm's shipment in order to extract a bribe," Mujumdar said. "Firms then often find it beneficial to just go ahead and pay a bribe to avoid all the costs associated with delay. This kind of bribe has acquired the nomenclature of 'speed money.'"

While customs corruption goes back to the fourth century B.C., Mujumdar said that trade theorists have long shied away from examining its consequences. He uncovered a relationship between the import tariff rate and a firm's bribery rate that is important in the context of tariff reductions under the auspices of the General Agreement on Tariffs and Trade (GATT). His findings also contribute to an understanding of the degree of competition in import-intensive industries and have implications for tariff reform policies and investment strategies.

Mujumdar was praised for originality of topic, for technical competence in economic theory and econometrics, and for his helpfulness to faculty, fellow students, and department staff.

He was a visiting assistant professor at the University of Miami in Ohio before joining the University of Southern Indiana in fall 2001 to teach international trade and global economic issues.



Mujumdar

M.B.A.

Continued from page 1

University. She completed the USI M.B.A. program in spring 2000.

Having the exposure to business through the M.B.A. program, Kalb said she is more convinced than ever that a blend of clinical and business skills strengthens a person with her job responsibilities. Her broadened knowledge helps her ensure that programs which she supervises are appropriately meeting community and hospital needs.

"We need to understand the fiscal as well as the clinical," she said.

Kalb is now director of behavioral science education for the family practice residency, senior clinical psychologist, and manager of the mobile outreach services for St. Mary's.

Rebecca Scheidler

A deepened knowledge of business that allows her to work more effectively across functions is the benefit that Rebecca Scheidler has derived from her M.B.A. studies.

Scheidler completed requirements for the M.B.A. in fall 2001. She earned an undergraduate degree at USI in 1998, majoring in business administration with a concentration in marketing.

"Moving forward in a business career, I recognized the need for an M.B.A.," Scheidler said. She was out of school a year before enrolling in the graduate program. She took two courses a semester to complete the degree last fall. Classes in the M.B.A. program meet at night so working professionals can accommodate them in their schedules.

After a three-year association with American General Finance in Evansville, Scheidler joined Mead Johnson Nutritionals in August 2001 when she had the opportunity to go into brand management. She is associate brand manager for Boost, a nutritional supplement.



Elizabeth Kalb
M.B.A. '00

Business knowledge helps health-care professionals meet community needs



Rebecca Scheidler
'98, M.B.A. '01

Knowing how to shape the future of a business is important for a manager



James Thomas
'83, M.B.A. '02

Understanding how all the aspects of a corporation fit together is a complex process



Srdan Zdravkovic
M.B.A. '02

Diverse classmates with business experience offer helpful insights

She believes that individuals who have experienced the M.B.A. program have better results pulling together a cross-functional team that can move a project forward because they have a deeper understanding and appreciation of what each division or department of a company does.

While the culmination of all classes expanded her business insight, Scheidler said the strategic management course was especially significant in affecting her thinking.

"It goes beyond your functional area and makes you more aware of how you are going to shape the direction of a business," she said.

James Thomas

James Thomas enrolled in the M.B.A. program to broaden his business background.

"To understand truly how the corporation and all of its many parts fit together is a huge process. The M.B.A. program gives me a better understanding of the complexities of that," he said.

Thomas is a vice president at Old National Bank in Evansville and serves as senior lending officer for commercial real estate. An '83 USI graduate, he majored in finance.

He said his experience in the

School of Business M.B.A. program has caused him to do more research and has influenced him to dig much deeper into whatever he is working on.

"It has enabled me to think out of my area. I think more about what's going on in many other areas of the bank and about how I'm affecting them and how they're affecting me.

Thomas said the strategic management course, the capstone course for the program, was particularly enjoyable and interesting.

"There was a lot of open discussion. We could agree to disagree and discuss how all areas of a business are affecting each other all the time every day. We discussed up-to-date topics and actual business examples."

He said individuals with engineering, accounting, sales, consulting, and health-care experience and international students flavor the class discussions. Graduate students are more aware than ever of the growing impact of global economics and how the world is connected.

"Last night's activity in southeast Asia affects me today," he said.

Thomas has 16 years' experience in banking. He joined Old National in 1996 and completed an M.B.A. this year.

Srdan Zdravkovic

An open and inviting atmosphere attracted Srdan Zdravkovic to the University of Southern Indiana when he decided to enroll in an M.B.A. program.

A native of Croatia, Zdravkovic came to the United States in 1994 to complete his last year of high school in Webster County, Kentucky. Then he earned a scholarship to attend the University of Evansville, where he earned an undergraduate degree in global business in 1999. After working a year in sales for The Bombay Company furniture store in Evansville, he wanted to further his education in the field of business.

Completing the program spring semester, Zdravkovic said he feels the program has equipped him with flexibility, giving him a number of options. His short-term goal is to work in the corporate world for a few years and then perhaps to go into teaching at the university level.

One of the most useful aspects of his M.B.A. studies was exposure to the experiences that different graduate students brought to class. His fellow students in the program come from health care, engineering, and other fields in addition to business.

"Sharing with people from all kinds of fields and with all kinds of personalities and different backgrounds was very helpful. It was interesting to get insights about what these people think about business," he said.

Zdravkovic's background includes some time in England and work in Croatia in addition to his American undergraduate and graduate education and experience. "I think this broad view can benefit an employer," he said.

While completing the M.B.A. program, he has served as a hall director in a USI residence hall, O'Bannon Hall.

Leadership

Continued from page 1

Evansville, said that the case studies in the class have been an important learning tool for her. Celuch divides the class into groups and presents each group with a scenario that a leader might have to confront. The group must come up with a solution within a three-hour time limit.

Rice said, "We would have to determine the dilemma, provide points of view from different people, show evidence, and come up with a recommendation on how to deal with the situation. It ties up all the pieces to the process of dealing with a decision-making problem."

Rice said the group projects created an enjoyable atmosphere in the class as the 28 students became better acquainted while working together to solve the problem. During the spring semester, the class included graduate students with backgrounds in accounting, banking, engineering, and manufacturing.

Rice majored in finance as an undergraduate at the University of Illinois. She said the courses in the M.B.A. program will build her management skills as well as add to her knowledge base for the analytical aspect of her responsibilities.

In addition to the group projects, Celuch has used other hands-on activities in the course, including the Myers-Briggs personality assessment.

When he was on the faculty at Illinois State University, Celuch led a design team that developed a course in leadership that is similar to the one in USI's M.B.A. program. The project at Illinois State was recognized for innovation in graduate education by AACSB—The Association to Advance Collegiate Schools of Business.

Dr. Phil Fisher, dean of the School of Business, taught the leadership course in its inaugural semester last fall. He invited a number of business leaders to discuss their insights into leadership development from both personal and corporate points of view.

"I thought that students would learn from both the personal example of these business leaders and from their descriptions of how their organizations develop leaders," Fisher said. "Students also could draw conclusions from those things all leaders stressed, such as integrity and passion."

Fisher invited speakers representing a variety of personalities and types of businesses so students could see that different types of people can be leaders. In order of their appearance, guests included the following business leaders:

- **Mike Hinton**, chairman, Old National Bank of Evansville and executive vice president for Banking Operations, Old National Bancorp
- **Alan Brill**, president, Brill Media Company
- **Jim McKinney**, general partner, Regency Property Services
- **Vince Vawter**, president and publisher, Evansville Courier Company
- **Bob Swan '72**, CPA, partner and senior member, Kemper CPA Group
- **Kay Forbes-Smith**, president, KFS and Associates
- **Rick Geissinger**, vice chairman and group executive—Consumer Finance, American General Corporation
- **H. Ray Hoops**, president, University of Southern Indiana
- **William Greubel**, president and CEO, Accuride Corporation
- **Alan Newman**, senior vice president and regional manager, Hilliard Lyons, Inc.
- **Keith Emge**, chief development officer, F. C. Tucker Emge Realtors
- **Dr. Joy Peluchette**, professor of management and chair of the Management and Marketing Department, will teach the course in the fall; Celuch will teach it again in the spring.

About the M.B.A.

For more information

www.usi.edu/gradstud/business.htm

Online application

www.usi.edu/gradstud/forms/app.pdf

The company we keep, 2001-02

Speakers

The following individuals were among speakers to business classes.

David Bates
Bristol-Myers Squibb Co.

John Bolger '80 (retired)
Commercial Credit Corp.

Gary Bolinger
Indiana CPA Society

Shannon Borden '99
Blue & Co.

Brenda Bosecker
Red Spot Paint & Varnish Co., Inc

Teresa Bradley '89
General Electric

Don Breivogel '83
American General Finance

Alan Brill
Brill Media Co.

Tim Buecher
University of Southern Indiana

Stephen Byelick Jr.
Bank of Evansville

Nathan Cecil '98
Blue & Co.

Carrie Donovan
University of Southern Indiana

Craig Ehlen
University of Southern Indiana

Dan Ehrhart '87
Keller Schroeder & Associates

Sue Ellspermann
Independent Consultant

Keith Emge
F. C. Tucker Emge Realtors

Steve Farrell '73
Gaither Rutherford & Co., LLP

Darlene Fisher
University of Southern Indiana

Deb Fleck '91, M.B.A. '00
American General Finance

Kay Forbes-Smith
KFS & Associates

Debbie Garrison
Berry Plastics Corp.

Rick Geissing
American General Finance

Chad Gibson
BKD, LLP

William Greubel
Accurde Corp.

Gene Hahn
Hahn Realty Corp.

Virginia Hale
Infinity Molding and Assembly, Inc.

Donna Harris '94, M.B.A. '01
Community Methodist Hospital

Steve Heim
Eastland Mall

Tania Herke '95
American General Finance

Mike Hinton
Old National Bancorp

H. Ray Hoops
University of Southern Indiana

Zhenhua Huang
Consulate General of the People's Republic of China

Cedric Hustace
Kimpel, Fuchs & Norton, LLP

Li Jian
Consulate General of the People's Republic of China

Sally Joest '74
Harding, Shymanski & Co.

April Jones
Cintas Corp.

Alan Julian '74
Evansville Courier Co.

Jennifer Kellams
University of Southern Indiana

Nancy Kovanic
University of Southern Indiana

Jeffrey Lake
A Business Center for Developing Enterprises, Inc.

Mike Lamey
American General Finance

Thomas Magan
Kahn, Dees, Donovan, & Kahn

Tim Mahoney
University of Southern Indiana

Phil Malone
Kimball International, Inc.

Mandy Marx '99
Umbach & Associates, LLP

Larry May
Keller Schroeder & Associates

Craig McCarron
University of Southern Indiana

Martha McClain '93, Post-Baccalaureate Certificate in Accountancy '96
Dialysis Affiliates, LLC

Jim McKinney
Regency Property Services, LLC

David Montgomery
Cintas Corp.

Jerry Moore
DOMA Group

Steve Mudd
Riney Hancock & Co., PSC

Jeff Mulzer M.B.A. '93
Mulzer Crushed Stone, Inc.

Cheryl Musgrave
Vanderburgh County

Malcolm Neel III
Neel & Company, LLP

Alan Newman
Hilliard Lyons, Inc.

Greg Newman '88
Kemper CPA Group

Bryan Norman
Berry Plastics Corp.

Les Nunn
University of Southern Indiana

Jill Padgett '80
University of Southern Indiana

David Papariella '84
Harding, Shymanski & Co.

Dane Partridge
University of Southern Indiana

Joy Peluchette
University of Southern Indiana

John Phipps '96
Fifth Third Bank

Brad Platts
Keller Crescent Co.

Gary Price
Gary Price & Associates

Larry Qualls
Casino Aztar

Kendra Reisz '98
Harding, Shymanski & Co.

Polly Reynolds '98
Kemper CPA Group

Carl Saxby
University of Southern Indiana

Ken Schreiber
Kitch & Schreiber

Randy Schultz
Harding, Shymanski & Co.

Ashish Shah
Bristol-Myers Squibb Co.

Bob Sholly
United Companies

Bob Smith
Berry Plastics Corp.

David Sobotka
General Electric

Amy Southwood '01, M.S.A. '02
University of Southern Indiana

Darryl Spurlock
Umbach & Associates, LLP

Rick Stivers
Deaconess Hospital

Bob Swan '72
Kemper CPA Group

Jim Thomas '83, M.B.A. '02
Old National Bancorp

Vince Vawter
Evansville Courier Co.

Trisha Wallace
BKD, LLP

Carolyn Walters
C. C. Boone Electric Co.

Tricia Weixler
Becker Conviver CPA Review

Jill Welden '00
Kemper CPA Group

John Wellemeyer
Indiana Technical Operations

Larry Whiteside '82
Bristol-Myers Squibb

Michael J. Wiederkehr '91
Fifth Third Bank

Jeff Wilmes '81
BKD, LLP

Jeff Wolf '81
Deaconess Hospital

Mock Interviews

These individuals conducted mock employment interviews for students in the business career planing and professional development classes.

Mendi Bartlett
Mead Johnson Nutritionals/ Kelly Services

Julie Bennett '95
Old National Bancorp

John Bolger '80 (retired)
Commercial Credit Corp.

Brenda Bosecker
Red Spot Paint & Varnish Co., Inc

Jason Braun
St. Mary's—Warrick County Hospital

Melanie Bretz '91
Hilliard Lyons, Inc.

Angie Brawdy '93, M.B.A. '99
University of Southern Indiana

Cindy Brinker
University of Southern Indiana

Mark Chandler '01
Old National Bank

Michelle Choate '91
Red Spot Paint & Varnish Co., Inc.

Fred Cox
Vectren

Chasity Coy '99
Integra Bank

Jennifer Cruz
American General Finance

Katie Dahmer
CMC

Jacqueline Ditzer
Integra Bank

Andy Ellerbrook '98
Shoe Carnival, Inc.

Nancy Evans
Old National Bank

Nancy Epperson
Integra Bancshares

Susan Everett '81, M.B.A. '99
Keller Crescent Co.

Chris Feagens
Keller Crescent Co.

Jeff Fischer
Ferro Corp.

Darlene Fisher
University of Southern Indiana

Debbie Fleck '91, M.B.A. '00
American General Finance

Cheryl Giesman
HR Solutions, Inc.

Robert Gossman
Bootz Manufacturing

David Griggs
Whirlpool Corp.

Christine Hachmeister
HR Solutions, Inc.

John Halverson
Human Resource Support, Inc.

Judy Hamilton '84
Keller Schroeder & Associates

Brad Harris M.B.A. '00
Vectren

Donna Harris '94, M.B.A. '01
Methodist Hospital

Jamie Heeke '00
Shoe Carnival, Inc.

Janet Heldt '86
Old National Bancorp

Chris Herr
Fifth Third Bank

Scott Herrell
Rexam Closures

Vickie Hubiak
HR Solutions, Inc.

April Jones Cintas	Mike Murphy Shoe Carnival, Inc.	Career exploration <i>These individuals provided job shadowing experiences for students in personal selling and marketing management classes.</i>	Rhett Schreiber Evansville Courier Co.	Fifth Third Bank Fifth Third Insurance Gaiher Rutherford & Co., LLP GE Plastics H & R Block Harding Shymanski & Co. Henderson Chamber of Commerce Heritage Park Holiday World Indiana Business College Integra Bank Kimball International, Inc. Koch Originals March of Dimes MDA Merrill Lynch & Co. Neighborhood Economic Development Center Northwestern Mutual Insurance Ohio Valley Heart Care One Star Long Distance Paoli, Inc. Rally's Rexam Closures Seton Health Corp. SIGECOM Sodexo Marriott Sonoco St. Mary's Medical Center Steffen Group Toyota Motor Manufacturing, Indiana, Inc. Toyota Motor Manufacturing, North America, Inc. University of Southern Indiana Walt Disney World Western Kentucky Energy Wright Consultants, LLC
Amanda Klass St. Mary's Medical Center	Steve Niemeier Human Resources Support, Inc.		Jason Shrodes Pepsi Cola	
Laura Knight '96 CMC	Vickie Oshodi University of Southern Indiana	Bill Capeck Boston Scientific	Scott Skelton Oakley Sunglasses	
Mike Lamey American General Finance	Sam Rogers Deaconess Hospital	Jevon Dade Hoosier Wireless	David Stieler Bristol-Myers Squibb Co.	
Vivian Lindsay American General Finance	Bob Scheller Deaconess Hospital	Marcia Dick '73 IBM	William Suhrheinrich RBS Building Materials	
Carol Lukens Wabash Plastics	Dennis Shannon American General Finance	Shawn Eagleston Cintas	Beth Thomason WEVV	
Dick Lynch Vectren	Jennifer Sontz Fifth Third Bank	Kurt Fleck Spencer County Co-op	Rachel Tillman Otsuka Pharmaceuticals	
Susie Mattingly '84 Keller Schroeder & Associates	Cris Stichler St. Mary's Medical Center	Jerry Freyberger American Sanitary Supply	Shane Wessel Pepsi Cola	
Molly McConnell University of Southern Indiana	Stacy Thomas Old National Bancorp	Misty James Hampton Inn	Internships and cooperative programs <i>More than 100 School of Business students were in internships and cooperative programs at the following employers during the summer and fall 2001 and the spring 2002 terms.</i>	
Carol McMichael CMC	Susie Traylor CMC	Patrick Kane Jansen Pharmaceuticals		
Lana Meyer Northwestern Mutual Financial Network	Emily VanWinkle '99 Vectren	April Mitchell Tri-State Interconnects	10 Adams Alcan Ingot American Advertising American General Finance Ameriquel Artec Manufacturing BKD, LLP Bloomington Hospital Cintas CMC Downtown Evansville Evansville Medical Radiology Evansville Courier Co. Evansville Regional Airport	
Linda Minton Vectren	Diane Walker North High School	John Modlin Coca-Cola		
Thom Mominee '72 Evansville Courier Co.	Gene Weisheit Central Tower, Inc.	Susan Morrow Coca-Cola		
Darlene Moog Vectren	Jeff Whiteside Vectren	Jim Parrish Frito Lay		
Cindy Moore Deaconess Hospital	Susan Wilson Old National Bank	Madonna Paul Home Depot		
Jerry Moore DOMA Group	Jane Wittmer Old National Bank	Rick Payton Matrix Integration		
Allen Mounts '74, M.B.A. '91 Old National Bancorp	Valerie Zink American General Finance	John Sieg '01 Cintas		
	Lisa Zwahlen Mead Johnson Nutritionals/ Kelly Services			

Job seekers must be savvy of resumé-scanning technology

The director of employment for a major Evansville company tells students in the School of Business that they need to be wise to technology if they want to be successful searching for a job in today's marketplace.

Mike Lamey, director of employment for American General Finance, spoke to students enrolled in the business career planning and professional development course. He said, "The fact is that human beings don't read these things [resumés] any more. They're read electronically."

Lamey's company and many others use software that scans a resumé for keywords which describe the scope of

skills, education, and experience a candidate needs for a specified job. The software can prioritize the candidates according to the number of desirable keywords in the resume. A human may look at only the top 10 resumés.

While only larger companies have the sophisticated software that prioritizes candidates, Lamey said that small companies have access to keyword-scanning capability through online employment sites such as monster.com.

He recommended that job candidates look closely at the job posting or ad to determine what keywords to use in their resumés. For instance, if an ad states that a knowledge of "cost and

unit accounting" is required, then the job candidate who has those skills should use the words "cost and unit accounting" when submitting a resumé.

Lamey also advised students that the days of the generic resumé are gone. Job candidates should tailor each resumé they submit to the specific job. Today's personal computers and printers make it feasible to do this.

"Job candidates need to focus first and foremost on how they meet the qualifications in the ad," Lamey said.

According to the USI Office of Alumni Affairs, American General Finance is the largest employer of School of Business graduates.

Enterprise Resource Planning systems – boon or boondoggle?

By Dr. Mehmet Kocakulah
and Dana Willett '95, M.B.A. '02

Editor's note: The following is an abridged version of an article presented at the 2002 meeting of the Southwest Region of the American Accounting Association. The full text is available from the authors.

An enterprise resource planning (ERP) system unites a business' functional areas under a company-wide information system. The ERP software integrates formerly isolated silos of automation and data under a common database and user interface. Information becomes available on-demand to assist in the coordination of business tasks as diverse as human resource management, accounting, manufacturing, distribution, and supply-chain management. As businesses reorganize around processes by using more cross-functional teams, the importance of a seamless enterprise information system grows.

Similarly, these seamless systems comfortably cross national boundaries to help businesses compete in an increasingly global economy. Under a well-managed ERP system, multiple currencies and languages are supported, relevant taxes calculated, and country-specific import/export rules are automatically handled.

With promises of huge savings and competitive advantages, vendors sell at least \$15 billion of ERP systems each year. Market growth to \$50 billion in annual ERP sales is expected in the next three years. More than 50 percent of the Fortune 500 corporations today have already implemented ERP systems, and 70 percent of the Fortune 1000 firms already have or soon will have ERP systems installed. Newly developed ERP packages target small and medium-sized businesses with assurances that these software systems will bring big-business efficiencies at reasonable rates. ERP vendors promise their systems can reduce costs, shorten cycle time, and improve customer satisfaction for any business.

It doesn't always happen, however. There are instances of ERP implementations gone wrong at huge and some-



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times devastating costs. One study indicated that only one in every three enterprise application initiatives was successful. In the nearly 10 years since the first ERP system deployments, several companies have blamed major business problems on failed or troubled ERP roll-outs. In November 2000, Petsmart, Inc. attributed a poor quarterly earnings report to an enterprise system that caused unusual inventory losses. Hershey Foods Corporation counted too much inventory and a 19 percent dip in quarterly sales after ERP

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hassles in 1999. Volkswagen AG is another company that has had ERP difficulties. Repair shops and Volkswagen drivers waited weeks in early 2000 for spare parts deliveries while a team of ERP consultants worked to get software snags out of the way.

A focus on manufacturing efficiency is central to the purpose of the earliest and most popular ERP systems. Current enterprise resource planning software emerged from older information and control systems collectively

called manufacturing resource planning (MRP II) systems. MRP II software helped companies capture information related to sales, production, inventory, and schedules to facilitate the control of the manufacturing and distribution process. ERP systems improve upon the MRP II model by integrating data across the enterprise and making it available through a consistent user interface. Real-time access to this data allows businesses to respond more rapidly.

Offering consulting services and software systems, five ERP vendors dominate the market. SAP, Oracle Corporation, PeopleSoft Incorporated, J.D. Edwards & Company, and Baan Company compete with several smaller software vendors to install ERP systems in a variety of businesses. Combined, the ERP marketers offer products for nearly any type of institution. Further, some vendors promote products specially tuned to the needs of broad business segments such as aero-space, automotive, or telecommunications. ERP vendors also offer system solutions for various computer operating systems and network architectures—from Windows to Unix and mainframe to client/server.

The experiences of ERP implementation in two companies illustrate some of the elements necessary to successful ERP implementation. While the companies have dissimilar human and financial resources, their implementation efforts are instructive.

Effective planning and implementation helped Anchor Industries and Rexam Closures successfully deploy

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ERP

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their ERP systems. For this article, the ERP project managers from these two companies reflected on the challenges they met and the tactics they used in the ERP planning and deployment process. Both felt their attention to specific success factors helped them avoid problems and ensured a smooth enterprise implementation.

Anchor Industries, Inc., based in Evansville, is a privately held custom fabric product manufacturer. Anchor successfully installed and uses J.D. Edwards' World software for enterprise resource planning. Anchor's information technology (IT) director led the ERP implementation project in 1999.

The project manager at Rexam Closures & Containers directed an ERP system implementation effort at Rexam's Evansville plant and was involved in a successful ERP deployment in another Rexam facility in the United Kingdom. With a corporate headquarters in London, England and 25 plant sites around the world, Rexam manufactures packaging for the beauty, beverage, health care, and food industries. The publicly traded company implemented J.D. Edwards' OneWorld ERP system software in the United Kingdom and intends to complete a similar deployment in the Evansville facility by January 2003.

Both Anchor and Rexam began considering implementation of an ERP system after their MRP II systems began showing signs of age.

Once top management was com-

mitted, both project leaders formed cross-functional planning and implementation teams. Ten users from various functional areas of the company joined the Anchor project manager on the ERP team and began investigating potential enterprise system vendors. At Rexam, the project manager's team included seven additional members: two from finance and accounting, one from order processing, two from manufacturing, and two from IT.

As both businesses moved into the implementation phase, they used several tactics to control the project. At Anchor, the project manager restricted the use of consultants to helping ERP team members get up to speed with the ERP software faster. The Rexam ERP deployment benefited from project leadership by those with project management experience as opposed to purely technical (IT) skills.

Both companies moved quickly to implement the new systems. After J.D. Edwards' World software won at Anchor, the system was running within 13 months. Using a similar timeframe, Rexam's U.K. operation implemented another J.D. Edwards' ERP system called OneWorld during 1999. The U.K. plant moved quickly by choosing to eliminate customization—using a “vanilla” version of the software. Anchor eschewed customization, too. Before the ERP system began operation there, only a small change was made to allow Anchor to print its own business forms rather than using J.D. Edwards' pre-printed forms.

Neither company discussed the specifics of performance measures used to evaluate the ERP systems, but both

noted that the value of the implementation was and is being measured in business terms. The ERP system at Anchor has significantly improved the flow of information through the business and has changed 40 percent to 50 percent of internal processes. The Rexam project manager reports process improvements at the U.K. facility since the ERP system began operation. Further, the OneWorld software is on track to pay for itself in two years through savings in business operations.

A success factor both project leaders mentioned was training. Considerable time and money were devoted to preparing employees to use the new system. The project managers suggest that businesses take a core team and train them intensively and let that team help train others in the enterprise. Anchor used this approach with mixed results. Some users, the project manager says, were left behind and had to be retrained. He praises computer-based training tools as a way to allow some ERP users to learn at their own pace. One project manager also adds that training is never complete as long as there are additional opportunities to leverage the ERP system for better business performance.

The experiences of the two businesses presented here illustrate the importance of successful ERP system planning and deployment. As enterprise resource planning continues to evolve, its importance seems likely to grow. This evolution will allow ERP to expand to serve smaller and smaller businesses and businesses with more specialized enterprise resource planning needs.

State Farm Insurance honors alumna Dana Davis

Dana Davis '00, an accounting analyst in systems project development for State Farm Insurance in Bloomington/Normal, Illinois, received the companywide Spirit of State Farm Award in March.

The honor recognizes employees who embody the company's attitudes and values, particularly in living up to the “Good Neighbor” advertising slogan. Davis was nominated by her supervisor and a coworker. In announcing the award, State Farm officials said she was recognized for her strong customer service focus on all projects and for her enthusiastic community involvement.

Davis joined the company in July 2000. She majored in computer information systems at USI.

Meet the Experts

Faculty members in the School of Business have expertise in many areas that relate to business in the Tri-State.

Check out the *Faculty Experts Guide* for information about various business areas or for expert consultation. School of Business faculty members may be able to assist you.

<http://business.usi.edu/>

Accounting majors receive RISC grant for research

Students expand knowledge of worldwide standards proposed for accounting

Two students majoring in accounting have received a RISC (Research, Innovation, Scholarship, and Creativity) grant to pursue research on the internationalization of the accounting industry.

RISC is a new University of Southern Indiana program that funds faculty-guided student research. During the spring semester, the RISC Committee distributed a total of \$13,500 in grant money for 37 student research projects throughout the University. Individual projects received up to \$500.

Anna Green '02 and **Andrea Daub** said that **Dr. Eva Jermakowicz**, associate professor of accounting, encouraged their interest in this project.

"She knew that this issue would be relevant to us as soon-to-be graduates," Green said. She and Daub are finding out how local practitioners feel about the Global Business Credential, a license similar to the CPA license, as they complete their project.

Jermakowicz said, "Accounting as we know it in the United States is not like accounting in other countries. Just as nations have different histories, values, and political systems, they also have different patterns of financial



Elizabeth Courtney-USI

Accounting majors Andrea Daub, left, and Anna Green presented their preliminary research about international accounting standards at the first RISC Showcase in April.

accounting development. The International Accounting Standards Board (IASB) makes attempts to harmonize accounting standards worldwide and to create a set of international accounting standards (IAS). These standards will become mandatory for all publicly traded European Union companies by 2005. Several other organizations support development of quality IAS because such standards would promote both business reporting that is comparable across companies and markets and the efficient allocation of capital in the world economy. The U.S. Secu-

rities and Exchange Commission's current consideration of the IASB's core standards is motivated by a wish to move toward a single set of global financial reporting standards with comparable implementation worldwide for possible use by non-U.S. registrants for listing and capital raising in the United States."

Green and Daub researched the similarities and differences in the Generally Accepted Accounting Principles (GAAP) in the United States and proposed international accounting stan-

dards. They designed a questionnaire and distributed it to approximately 100 offices of international firms to solicit the opinions of accounting practitioners on solutions to internationalize the accounting profession.

The students presented their preliminary findings April 20 at the first RISC Showcase, a forum for student research. The final results will be presented in December during the Annual Meeting of the American Academy of Accounting and Finance in New Orleans.

Accounting Circle members team up for class presentations

Accounting professionals brought their "real-life" expertise to the University of Southern Indiana campus in 2001-02 in a new program aimed at students in Accounting 202, a required course for all business majors.

Dr. Daniel E. Wade, director of accounting programs for the School of Business, said that members of the Accounting Circle made class presentations in pairs—one individual from public accounting and one from non-public accounting.

Steve Farrell '73, a partner at Gaither Rutherford & Co. in Evansville, said he believes the students enjoyed seeing how they can directly apply the many things they are learning in the classroom.

"They are very interested in what accountants do in the 'real world,' and this gives them that tie-in to the importance of learning the basics," he said. "It also gives the circle members a liaison with the students when it comes time for recruiting. I now know

a lot of the better students by observing them in class, attending their Toastmaster's or Accounting Club meetings, and receiving input from the accounting professors. They also know me and our firm. It's very difficult to choose the right employee from the normal interview process. My involvement on the Circle gives me a lot more input and information about the students.

"Finally, I have been able to

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Circle

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develop relationships with the accounting professors, and I'm convinced that USI has the best accounting faculty in the nation. I observe their caring attitude for the students and the students also convey to me how much they appreciate having professors that really do care about them and want to prepare them for a career in accounting."

Farrell said the Accounting Circle hopes the program draws more undecided students into accounting and provides better-rounded accountants for the industry.

The Accounting Circle, composed of experienced and recognized accounting professionals, is an advisory board to the School of Business accounting program. Farrell is chair for 2002-03.

Department of Accounting and Business Law

Vision Statement

Our commitment is to quality accounting education.

The Department of Accounting and Business Law shares with the University of Southern Indiana and the School of Business a fundamental mission to be of service to Indiana and to increase postsecondary educational participation of young people and adults in our region. We strive to enable our graduates to take entry-level positions in the profession of accounting, to prepare students for advanced studies in accounting or business, and to provide the foundation for their future growth and development in the accounting profession.

Our highest priority is to have excellence in teaching. While emphasizing effective instruction in both the undergraduate and graduate programs, the department's primary focus is to prepare undergraduate students to be productive members of their profession and society.

We view research contributions in the field of accounting as being fundamental to the mission of the department. We also acknowledge that service to the University, to the accounting profession, and to the community is fundamental to our mission.

By fulfilling our vision, we seek to become the preferred source of professionally trained accountants for employers in our region.

Let us hear from you!

We welcome comments from our alumni and friends regarding accomplishments, career choices, and momentous personal events. Send to Nancy F. Bizal, School of Business, University of Southern Indiana, 8600 University Boulevard, Evansville, IN 47712-3597 or nbizal@usi.edu.

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Please use this information only to maintain accurate alumni records.

Bank president advises students to go extra mile to learn job

Michael Head is 2002 Alumna-in-Residence

Michael Head '80, president of Evansville's First Federal Savings Bank, had a message about personal sacrifice when he spoke February 26 as School of Business Alumna-in-Residence.

"Any extra effort you put forward at the beginning of your career to learn the job will pay off," said Head, who earned a B.S. with a major in finance and a minor in economics. Each spring the school brings a senior executive who is a University of Southern Indiana graduate to campus for presentations to faculty and staff.

While attending USI, Head worked at National City Bank (now Integra), first as a messenger and later in the computer department. He became a management trainee at First Federal two months after completing his undergraduate degree. Told that to "manage tellers" he must know their



Elizabeth Courtney-USI

Michael Head, president of First Federal Savings Bank, told School of Business students that personal service is the distinguishing characteristic of small banks. He shakes the hand of Holly Perry, USI student and First Federal employee, with Carrie Wilsman and Mike Spaetti looking on.

job, he spent the first four months as a teller and then moved on to gain experience with mortgages, individual

retirement accounts, and other aspects of banking, holding increasingly responsible positions.

He earned an M.B.A. from the University of Evansville in 1986. In October 2000, he was named president of First Federal Savings Bank. He also is chief operating officer and a director of the bank.

Head said that First Federal's primary customers are individuals and small businesses.

"The strength of a small bank is personal service," he said. "In a sense, bankers are dream makers. Customers want to know how that first home or first car can be purchased. We sit down, talk to our customers, and find out how to make it happen for them."

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