

# NEBRASKA BUSINESS 2010



A PREMIER  
UNDERGRADUATE  
EXPERIENCE

CREATING THE  
KNOWLEDGE

THE INSTITUTE FOR  
INNOVATIVE LEADERSHIP

**DONDE A. PLOWMAN, Ph.D.**

9th grade piano soloist  
becomes the 9th dean of  
the College of Business  
Administration.

BLOOMBERG BUSINESS WEEK RANKS THE UNL PART-TIME MBA PROGRAM  
4TH BEST IN THE NATION – 2009-10

# FROM THE DEAN...

I am honored to be named the ninth Dean of the College of Business Administration at the University of Nebraska – Lincoln. My grandmother was born and raised in Broken Bow, Nebraska and I have grown up hearing stories about the goodness of Nebraskans, about their entrepreneurial spirit, and how they never step away from a challenge.

In each encounter I have had since arriving here in



Lincoln – with faculty, students, alumni, and our business partners – these same themes keep surfacing.

Our college is home to a world-class faculty who are making a difference to their students and to the world of ideas about how to do business. Our

students are bright and eager to be part of the next generation of business leaders and the support of our alums has probably never been stronger.

We are entering what may be the most exciting time, ever, for our college. UNL's move to the Big Ten Conference has significant academic implications for us because the Big Ten business schools are among the finest public business schools in the country. These schools will inspire us as we work this fall to define our college's future and set our path toward achieving world-class distinction.

Let me tell you some of the ways we have already achieved world-class distinction.

- *Bloomberg BusinessWeek* ranked the on-campus MBA fourth best in the nation for part-time or non-cohort programs. The Distance MBA has the same faculty and curriculum as the on-campus program.
- Our Actuarial Science program, with more than 100 students, was selected as one of 12 Centers of Actuarial Excellence by the Society of Actuaries. Only four other Big Ten business schools claim this distinction.

□ Our college is one of 34 business schools in the United States to receive the designation from the CFA (Chartered Financial Analysts) Institute as a "University Partner." We received this distinction because our undergraduate curriculum in Finance prepares students to sit for the CFA exam. We join six Big Ten colleges of business with this designation. This designation is one element that resulted in *Bloomberg BusinessWeek* ranking the finance department in the top 40.

□ The research of our faculty in Economics Education was recently ranked fourth in the country. This means some of our Economics faculty are leading the way in research about how to improve economic literacy of young people – a timely subject!

□ *Bloomberg BusinessWeek* ranked our college 43rd out of 111 U.S. business schools in the area of Ethics. This achievement reflects the commitment that we and our generous partners, such as Howard Hawks and James Stuart, have made over the years to strengthen our curriculum in Business Ethics.

These are but a few points of excellence we have already achieved, but we are looking toward achieving many more.

The university's capital campaign, called Campaign for Nebraska, is underway. Realizing our college's campaign goals is an essential step toward achieving world-class distinction as a college. Through the help of some CBA alums who have stepped forward to lead our college's campaign, I will be visiting College of Business alums in Denver, Minneapolis, Chicago, Dallas, Seattle, Phoenix, and other cities throughout the country to talk about our college and its future.

What a terrific time it is to join this great community here in the UNL College of Business. We are embarking on a great journey and will need the help of our friends and partners more than ever before as we try to realize a new and exciting future for the college.

A handwritten signature in black ink that reads "Donde Plowman".

**Donde Ashmos Plowman**

James Jr. and Susan Stuart Endowed Dean  
College of Business Administration  
University of Nebraska-Lincoln





# NEBRASKA BUSINESS 2010

College of Business Administration



University of Nebraska-Lincoln

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UNIVERSITY OF  
**Nebraska**  
Lincoln

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## Donde A. Plowman So...What's the New Dean Like?

### **What was the deciding factor in choosing to become Dean of the UNL College of Business Administration?**

The people...Everyone I met seemed to have what I think of as the “Nebraska goodness:” the faculty, students, alums, administration, and the business community. People have a strong sense of wanting to do the right

thing, of working hard; they are incredibly friendly and down to earth.

### **What do you see as the strengths of the college?**

The university’s reputation and rich heritage; the global reputation of many of our faculty; the quality of our students, our 31,000 alumni; and the business communities across the state. To be a part of one of

the most dynamic business regions in the country, with world-renowned business leaders, is an incredible resource. I am excited to get to know our partners in the business community, who love our college and truly want to help us achieve our goals.

### **What does the move to the Big Ten mean for the college?**

It means we have joined the

most distinguished group of public business schools in the world. Every business school in the Big Ten is world-class. It is exciting for us to be part of that group, but it also raises the bar for us in everything that we do. We have a lot of hard work ahead of us. We will be doing a lot of reflection this fall on what it means for us and how we marshal the resources to achieve our goals.



**What immediate priorities do you have for the college?**

To increase our college's resource base, to engage in a strategic planning process with faculty and staff this fall that will elicit our college's vision and strategy.

**What role do you see advisory boards and alumni playing in the current and future plan for the college?**

Advisory boards are enormously important because they bring loyal members of the business community – often alums – together with the college or specific departments to be a sounding board, to provide support through gifts – both financial and non-financial. A business school cannot be great without a strong partnership with its alums and business community. We work together. The business community needs our graduates as their workforce. They need our students to be well-trained in relevant curriculum. We need the business community to hire our students, to provide

internships for students, to let their organizations be the laboratories for our research. I believe advisory boards will have an increasingly important role in our college.

**What effect do you think business colleges can have on global ethical leadership in the future?**

I think business colleges can have a significant impact, but only if we figure out how to integrate it into our curricula so that it can take the prominent place it deserves in business education. We are doing a good job of that here at UNL, but there is more we can do. I heard of one business school that was going to require their MBAs to take an oath – sort of like the Hippocratic oath that doctors take – to promise to never do harm and to let ethics guide their decisions.

That's a compelling idea. I am proud of the fact that *Bloomberg BusinessWeek* ranked UNL College of Business 43 out of 111 schools in "Ethics." In that ranking we came out ahead of some world-renowned schools. I believe we can move further up that list if we continue the efforts that the gifts from Howard Hawks (Howard Hawks Chair in Business Ethics & Leadership) and James Stuart (former Program in Business Ethics) have made possible.

**What are some lesser known facts about you?**

I love to play the piano. In the ninth grade I gave a piano recital where I was

the only performer and played for one hour – all of it memorized. Looking back on it I can't imagine doing something like that.

One of my favorite things to do is have people over for dinner. There is nothing better than good food and good friends around a table for an evening.

I am addicted to my iPhone (and the apps) and always have a game of Scrabble going with my son.

My name is not a nickname; and my parents did not name me "where" (in Spanish). I was named after my dad's two best friends in graduate school – one was named Don and the other was named De.



# A PREMIER UNDERGRADUATE EXPERIENCE

As a part of the rich history of the University of Nebraska–Lincoln, an emphasis on quality undergraduate education plays a key role in the mission and vision of the College of Business Administration. The role of a business college is to provide the knowledge and skills necessary for success in life and to provide the best possible education for students in the increasingly complex global era.

In the freshman year, students can choose to live and take classes with a group of students who share the same interests in the Business Learning Community. Learning community members meet with faculty and administrators, travel together to visit businesses outside of Nebraska, and transition more quickly into the university.



**One class all business majors take their first semester is BSAD101,**

Business

Leadership Development. In this 10 week course, students learn about the different majors from expert faculty in the field. Representatives from student organizations visit the class to talk about their activities. They take the Gallup StrengthsFinder survey to learn where their strengths lie and have training in ways

to best utilize those strengths as leaders. They also explore the topic of business ethics and participate in ethical simulations.

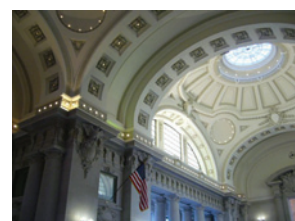
Students hear from a business etiquette specialist on effective ways to socially succeed in a business environment. They attend a performance at the Lied Center for Performing Arts. They hear from a motivational speaker on the importance of making the right choices throughout their college careers. The success of this class is measured by having

one of the highest retention rates of students on campus.

## Achieving the goal...

### U.S. Naval Academy Leadership Conference

Each year five student leaders from CBA are selected to attend the U.S. Naval Academy leadership conference. In 2010 the theme was “Leadership Under Stress: Transforming Crises into Opportunities.” Among approximately 150 participants from 42 institutions taking part in the three-day conference were five (5) outstanding CBA students: Katie Bauer, Allison Bentley, Ben Boeselager, Lindsey Dykman, and Reed Janousek. In 1984 the U. S. Naval Academy Class of 1938 created a living memorial through the implementation and financial support of a leadership conference for the Academy’s senior midshipmen. At the time of



its inception only military institutions were invited to attend. In 2001 the conference grew through the generous support of Mitch and Linda Hart who founded the Hart Group, Inc. Mr. Hart, a 1956 graduate of the U.S. Naval Academy and his wife, Linda, requested that student leaders from civilian institutions be included. As a result, a few very select civilian universities were invited to bring leaders to the conference and the College of Business Administration was honored to be among this inaugural group. Speakers at the 2010 conference included Tom Brokaw and Paul Dabbar, Managing Director of Global Mergers and Acquisitions



at J.P. Morgan Chase. Ben Boeselager said, "Being a finance major, I found it especially applicable having Mr. Dabbar. I enjoyed the fact that I got the chance to go up to him afterward and speak with him."

Reed Janousek was equally impressed with Tom Brokaw who made himself available after his talk to meet students .....

**"Being a finance major, I found it especially applicable having Mr. Dabbar. I enjoyed the fact that I got the chance to go up to him afterwards and speak with him."**

..... individually. Reed said, "It was a privilege to engage in discussions with these individuals, which helped me better understand my values and respect viewpoints of others. The variation between keynote speakers, small group discussions, and casual socialization provided intellectual perspectives that cannot be obtained in a classroom."

### **Beta Alpha Psi Receives Superior Status**

The UNL Chapter of Beta Alpha Psi received Superior Status, the highest award level, at the annual meeting of BAP. Alumni and Chief Accountant for the SEC, James Kroeker, was selected

Business Information Professional of the Year.

### **Phi Beta Lambda Competes and Succeeds in the State Leadership Conference**

The UNL chapter of Phi Beta Lambda (PBL) recently competed at the Nebraska PBL State Leadership Conference in Kearney, Nebraska. Focusing on bringing business and education together through innovative leadership and career development programs, PBL is a business organization of more than 11,000 college students. At the state conference, members compete in a variety of events, including job interviewing, marketing, accounting, computer programming, and impromptu speaking, among others. Members were also able to attend informative workshops and help with the campaign and election process for state officers.

Forty members, who combined for 132 competitive event awards, represented UNL at the conference. UNL PBL also received the award for the largest chapter of a four-year school and had two members chosen as state officers for the 2010-2011 year.

Nearly 2,000 PBL members met for the National



**Jamie Dick (right) with David Lopez**

Leadership Conference which included workshops, networking, and competitions in areas such as accounting analysis and decision-making. UNL students combined for 16 awards including one first-place and six second-place prizes. UNL was recognized for the Outstanding Local Chapter of the Mountain Plains Region.

UNL student, Chris Reznicek, was elected national parliamentarian. Former student, Mike Kistler, was the International President of PBL/FBLA in 2008-09.

PBL/FBLA is sponsored by Streck, B.W.D. Dryer, LLC,

Toro, and the College of Business Administration.

### **Officers of UNL Association of Students at the University of Nebraska**

CBA student, Megan Collins, was the 2009-2010 president of ASUN, the governing body for UNL students. One of the privileges of the president is to serve as student regent on the University of Nebraska Board of Regents. For 2010-2011, Senior Jamie Dick will serve on the executive board as external vice president and James Foran as recording secretary. Four business students are senators.



**The College of Business Administration sponsors several business-oriented study abroad programs.**

The most popular is a three-week study of European economics at Oxford University. Other programs include summer study in Italy, and exchange programs in France and Japan.

In its third year, the summer study and internship program in China is rising in popularity. Dr. Weixing Li accompanies the students for the first three weeks at the University of International Business and Economics in Beijing. Fourteen students participated in the study abroad program and seven of those stayed on to take advantage of an internship with a Chinese company.

Dr. Li takes special care to introduce the students to Chinese culture they ordinarily would never experience. This year the students were invited to a wedding and toured some of the ancient parts of China.

The CBA students were on hand to cheer the Husker volleyball team when they played Zhejiang University. Unfortunately, the Huskers lost the match.



**Click to view Katie Thomas' adventures in China.**  
<http://go.unl.edu/katie>

**Vance Christensen's China Blog**

Today was probably the most anticipated day up to this point. We were attending a Chinese wedding. We didn't know the bride or groom. Once we arrived at the wedding we had individual pictures with the bride and groom at the entrance of the Sunny Hotel, a five-star luxurious hotel right in the heart of Hangzhou. During the reception, the father of the groom came over several times to introduce himself and welcome us to this special event. The food began

pouring out of the kitchen and the feast began.

I was really impressed and surprised with how hospitable the Chinese were to us. It was one of the most memorable nights of my life, and definitely a highlight of this entire Chinese experience.

During my internship with China Minsheng Bank, I performed some of the filing/recording of transaction receipts for the first week and a half, and then I was transferred to another branch, so that I could see other aspects of the bank. It's interesting to see the differences between American and Chinese banks on what criteria they consider before they give out a loan to someone.

**Cassie Person, 2010–2011 president of SIFE, in her own words.**

A friend invited me to join SIFE two years ago. Everyone was so welcoming. No other group has given me the opportunity for real world experience like SIFE. My favorite project was the asset-mapping project for Keith County in Nebraska. The feedback from people in that area was amazing, we really made a difference. This year SIFE will take on a similar project for North Platte, NE.

Coming from Sidney, I saw firsthand what an impact a successful entrepreneur can make in a community. Cabela's has completely transformed Sidney and that was just two people selling out of their kitchen. Entrepreneurs can make a business out of what they love to do and provide jobs to help their small town.

I am passionate about rural flight. This year SIFE is looking at ways to connect students back to rural Nebraska. It is hard for students to find opportunities in rural areas other than their own hometown and it's hard to see opportunities in the town where they grew up. We are brainstorming ways to connect students to jobs in rural areas. There are jobs all across the state but none of the students seem to know about them.

During my year as president of SIFE another project is planned to help teens at the Pine Ridge Reservation think entrepreneurially and create some income. We also will be working with small businesses in Lincoln to think "green."

Cassie, an accounting major and political science minor, was named one of *U.S.A. Today's* 60 College All-stars: Honorable Mention Team.





## Meet the Faculty:

The best possible educational experience for students is finding a connection with faculty. Faculty are dedicated to being the best possible teachers. The award-winning faculty at the college teach undergraduate classes and this includes Bill Walstad, the top researcher in economic education; Les Digman, a scholar in strategy; and Mary Uhl-Bien, a pioneer in complexity leadership and followership.

Known worldwide as the pioneer in positive organizational behavior, **Fred Luthans**, the George Holmes University Professor of Management, teaches organizational behavior at the junior level. His textbook, *Organizational Behavior*, is the most widely used in the field and is in its eleventh edition. Dr. Luthans says, "You can go to other universities and read my book, or you can come to UNL and learn from me."

**Les Carlson**, the Gold Professor of Marketing, and nationally recognized and award-winning scholar by the American Academy of Advertising, teaches juniors, seniors and graduate students. His areas of expertise are Services

Marketing and Marketing Communication Strategy. He is cognizant of the ethics in marketing decision-making and emphasizes ethics in his classes.

**Dr. Donna Dudney**, associate professor of finance, is an expert in financial institutions and markets. Each fall, she teaches a class called "Investing the Buffett Way," which includes a trip to Omaha to meet with Warren Buffett. Students can then attend the Berkshire Hathaway annual meeting.

Some faculty at the college are superb teachers and enjoy it so much, they become teaching specialists. They all have advanced degrees and are called Professors of Practice.

**Carlos Asarta**, assistant professor of practice in economics, has won nearly every teaching award available at the college and university level. He teaches four large section of micro-economics and macro-economics to sophomore level students. He is also the adviser to Beta Gamma Sigma, the international honorary society for business students – the Phi Beta Kappa equivalent.

Accounting systems can be a challenging subject for most accounting majors, but **Deb Cosgrove**, assistant professor of practice, successfully pushes the students through the course. She has won nearly as many teaching awards as Dr. Asarta. Dr. Cosgrove is the adviser to Beta Alpha

Psi, the honorary society for accounting and finance majors. BAP meets weekly with accounting professionals, for professional development and community service.

**Warren Luckner**, professor of practice and director of the Actuarial Science program is another favorite of students. He works tirelessly to manage the Actuarial Science club, recruit students, advise students, find internship and career placements, and teach. He is the recipient of the University-wide Student Foundation/Builders Award for Outstanding Advising.

Business students have endless opportunities to gain the knowledge and skills they need to succeed not only in business, but also in life.



To see Dr. Asarta's story: <http://mediahub.unl.edu/media/1453>

# WE CREATE THE KNOWLEDGE THAT OTHER SCHOOLS TEACH

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**R**esearch with relevance to the world of business needs to be practical, applied, and down to earth.

After all, a business person is likely to say to the academic researcher, “Just tell me what works!” What works and what does not is the basis of all business and scientific research. In both cases, the research is data-driven and addresses issues facing scientists at their particular time in space. Research in business continues to grow in importance as economic systems continue to globalize. Topics of tax structure, management and leadership, and marketing channels are consistently examined for trends and best practices. More recently ethics in business and effective leadership have taken on more importance in business research, leading research into areas not previously considered to be related to economics systems.

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Patricia Kennedy



Mary McGarvey

Associate professors, Patricia Kennedy and Mary McGarvey, along with former doctoral student, Bree Dority, are looking at root causes for obesity among teens, namely food sold in schools. They approached the problem from an economic viewpoint that schools benefit financially from selling snacks and from a long-term marketing perspective of making available a potentially harmful product to potential customers. To examine the topic, a study of the guidelines of the Federal School Lunch program indicated that meals that fell under USDA rules were for the most part balanced and nutritious. It is shown that most à la carte foods are filled with empty calories, fat, salt and sugar. The study showed that marketing those foods to students could have adverse effects. The authors state that, "Marketers of foods and beverages to children and adolescents would be wise to limit or eliminate their sales of junk foods in schools. With the increasing interest



by consumers in the United States in healthier foods and beverages, these marketers would benefit in the long run by developing more healthy choices. Marketers have known for some time that building long-term relationships with their consumers is much more profitable than having a constant turnover of buyers. In addition to the increasing number of parents who believe that there is a relationship between food and beverage marketing and childhood obesity (Kasser and Linn 2004; Larson and Story 2008), there are also a growing number of student groups who are requesting healthier choices in schools (Carter and Hammond 2007; Reist 2007)." The important practical business result of this research is not so much that empty calories add to obesity rates, but that marketers who put those products in schools may be damaging themselves by not providing the type of product desired by their market. *Journal of Public Policy and Marketing*, forthcoming.

<http://www.marketingpower.com/AboutAMA/Pages/AMA%20Publications/AMA%20Journals/Journal%20of%20Public%20Policy%20Marketing/JPPMForthcoming.aspx>



Sang Lee



David Olson

On the quest to make sense of the globalization, innovation and information-centric world, Professors Sang Lee and David Olson published a book on the theory of *Convergenomics: Strategic Innovation in the Convergence Era*. The authors explain the megatrends driving the world toward more interdependence. "Convergence is a phenomenon that reflects human innovation. The convergence of information technology has led to the mobile technology revolution. The digital revolution has led to ubiquitous computing, promising access to enterprise resource planning systems on PDAs. Radical changes in demographics will lead to merging of cultures, inevitably leading to sources of conflict, but also promising many gains due to diversity, sharing of cultures, and the generation of new ways of looking at things. Similar changes are occurring in industrial structure. There seems to be a growing trend toward specialization, made practical by the Web, which makes it possible to send files containing documents and data around the world in very little time at very little cost. Human-artificial systems are also making it possible to overcome some of the limitations of the past."



<http://www.gowerpublishing.com/default.aspx?page=641&calcTitle=1&isbn=9780566089367&lang=cy-GB>

# Charity, Impure Altruism, and Marginal Redistribution of Income



For more:  
Journal articles  
Books and Chapters  
Conference Papers  
Experts List  
<http://cba.unl.edu/research>



# Charity, Altruism, and Marginal Redistributions

Dr. Sam Allgood studied the topic of marginal tax rates, how they affect charitable giving and the motivations of givers.



Why do people give to charities? People “care” in some manner

for the charity to which they donate, whether the charity is a theatre, a soup kitchen, or a church. Economists say a person has altruistic preferences if they receive higher utility when these

.....  
**A pure altruist does not care how much they give personally, they only care about the total amount of the good/service provided.**  
.....

non-profits are able to provide greater amounts of services and/or goods. A pure altruist does not care how much they give personally, they only care about the total amount of the good/service provided. In addition, some people get satisfaction from the act of giving that goes beyond simply knowing the good or service is provided. In this case, people care about how much they personally give. Economists call this warm-glow.

Does it matter why people give to charity? It matters quite a bit. Government giving to charities crowds-out private giving to charities because private givers can make smaller gifts without decreasing the charities ability to provide goods and services.

However, government giving is less likely to crowd-out private giving if people receive warm-glow from their own giving. Because warm-glow utility reduces crowding-out caused by government giving, we might expect that such preferences make it more likely that government policies to redistribute income increase social welfare. This research attempts to identify and quantify how warm-glow utility alters the costs and benefits of a redistribution of income funded by a higher labor tax rate on the rich. In the paper, rich (or non-poor) households are altruistic toward the poor because the rich have greater utility when the poor have more consumption. The analysis shows that if rich households also receive warm-glow utility from giving to charity, a given government redistribution of income is less likely to increase social welfare.

A simplified example will help illustrate. Suppose that there are three rich households and a single poor household. If rich households are altruistic

(they care about how much the poor have to consume), then the government may be able to make both rich and poor households better off by taking a dollar from each rich household and giving it to the poor. The poor household is obviously better off, and the rich may also have greater well-being because each household pays only one dollar in taxes and the income of the poor increases by \$3. However, the government transfer to the poor crowds-out voluntary giving by the rich households. If rich households receive warm-glow, they lose utility because of this crowding-out effect.

Given that rich households are altruistic toward the poor, it may be that the utility they receive because of greater consumption of the poor is greater than the loss of warm-glow utility because they give less.

Numerical calculations illustrate that the lost warm-glow utility is important for understanding the costs and benefits of government redistributions of income. In general, government attempts to redistribute income do not improve social welfare unless rich households care more about altruism than warm-glow. In fact, it appears that the lost utility from warm-glow offsets the gain in utility from being an altruist so that the

loss in well-being of the rich households is greater than the gain in well-being of the poor.

## Research Accolades

The Test of Understanding of College Economics, developed by Bill Walstad, was the focus of the international conference on Economic Education for the Asia-Pacific region in fall 2009. Bill Walstad is executive editor of the *Journal of Economic Education*; Sam Allgood is an associate editor of the same journal.

Sandy Grossbart's and Roger Layton's paper, "Macromarketing: Past, Present, and Possible Future," received an award for the most cited paper.

Seth Giertz was elected Referee of the Year 2009 for the *National Tax Journal*.

Sam Allgood co-authored the Federal Reserve Bank of New York Staff Report, "Is Economics Coursework or Majoring in Economics Associated with Different Civic Behavior" May 2010.

Craig MacPhee received recognition for authoring one of the most cited papers in the *Journal of Applied Economics*.



When trying to explain the latest in a series of economic bubbles followed by collapse, business researchers are looking at every aspect of corporate governance including the composition of boards, executive compensation, and the effects of short and long term debt on business decision making. Dr. Emre



Dr. Emre Unlu

Unlu and his co-authors, received mentions in the *Wall Street Journal* online edition and the *Washington Post* for research on whether having celebrities sitting on business boards is a net positive or net negative. Preliminary results show that boards that include celebrities enhanced shareholder value over one, two and three-year periods. Celebrities, such as Lynn Swan, can increase the visibility of the firm and enhance the investors perception of the firm. More study is underway to discover if seating a major celebrity like Bill Clinton or George W. Bush makes the other board members more reticent or changes the dynamic in other ways.

Dr. Unlu and co-authors are looking at how the CEO compensation package factors into risk-taking. In a recently published article in the prestigious *Journal of Finance*, they explained that the use of managerial stock options in CEO compensation packages typically incentivize CEOs to take risk in order to benefit shareholders of the firm. With skin in the game, the CEO will take greater risks to maximize short-term profits. However, the firm's creditors (banks, debt holders or other lenders) don't look favorably at high-risk activities, as they don't share in the firm's profits and may be required to absorb the risk-taking firm's losses. The authors found that those firms generally carry short-term debt, suggesting that creditors are reluctant to extend long-term loans to them. Another finding shows that creditors charge a higher interest rate when the CEOs are incentivized to take risk and increase that already higher rate when those firms look for long-term loans. Overall, evidence suggests that creditors

take into account the executive compensation packages and then take the necessary precautionary measures to protect their interests. Regarding policy implications, company boards should be vigilant when designing executive compensation packages since risk-seeking incentives – while potentially beneficial to shareholders – might constrict debt-financing opportunities of the firm.

*Journal of Finance*

[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1479629](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1479629)

**Taxation is a topic studied by economists, accountants and financial experts.** Topics include effective taxes and tax rates, charitable giving, and the consequences of income transfer. Dr. John Anderson, an expert in public finance and formerly a senior economist on the President's Council of Economic Advisers, researches the impact of tax systems on the economy. Anderson's research focuses on urban land development in China. His article in *The Chinese Economy*, March-April 2009, outlines the ways that urban infrastructure is currently being financed and proposes alternative methods of finance. During July 2010 he was a visiting scholar at Peking University in Beijing, teaching young academics from all over the country the essentials of land economics and local public finance. He will serve as a visiting scholar during the 2010-11 academic year and conduct research on urban development in China.

Anderson lends his expertise in economics to more than just UNL. In fact, he lends it to even more than just this nation. In 2008, Anderson was selected as an International Scholar for the



Dr. John Anderson

Higher Education Support Program of the Open Society Institute–Europe. This program provides a grant for him to work with the Tajik State National University, located in the capital city of Tajikistan, Dushanbe, to promote the advancement of economic higher education and guide and advise educational reform.

As an international scholar with this program he provided assistance through an academic fellowship program, where he advised faculty at the Tajik State National University, provided curriculum development, developed teaching capacity in economics, and worked to integrate more western style of teaching, focusing on more participatory, active-engagement teaching methods, rather than a strict lecture style. In the coming year, Anderson will be a visiting scholar at Peking



University in Beijing, China, where he will lecture and conduct research on tax policy

<http://cba.unl.edu/people/profile.asp?id=1015>

**High tax rates not only generate revenue that is taken out of the taxpayer's pocket, but they also induce changes in taxpayer behavior that results in an efficiency loss or welfare reduction for the**



Dr. Seth Giertz

economy. Any time a tax rate forces you to change your behavior, you are made worse off. Dr. Seth Giertz, formerly with the Congressional Budget Office, and his co-authors looked at the elasticity in the marginal tax rates and the effectiveness of raising taxes on upper income people for the National Bureau of Economic Research. "The elasticity of taxable income (ETI) measures the responsiveness of taxable income to changes in marginal tax rates and is key to determining the efficiency costs of taxation. Optimal progressivity of the tax-and-transfer system, as well as the optimal size of the public sector, depends heavily on this elasticity." This research has important implications for the current policy debate over the size of the federal government and its level of taxation.

Giertz and his co-authors say, "We show that the ETI accounts for the many margins by which people respond to taxes, noting that these other responses too have efficiency costs." They account not only for labor supply responses, but also a whole host of other ways that marginal tax rates can influence behavior. On the basis of their research, they conclude, "As a result, the efficiency costs of high marginal tax rates are likely much greater than previously believed. However, a consensus has not been reached on this issue because of the complexities inherent in accurately estimating the elasticity."

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Is the Cure Worse than the Sickness?"  
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# Advancing New Models of Leadership for the Knowledge Era

**In an increasingly complex world, the qualities that make a successful leader in business, in academia, in the public sector, and in politics, are difficult to define.** The model of top-down leadership dates from the very earliest days of kings and subjects. During the industrial age, that style was the norm and leaders welcomed little or no suggestions from workers. Today, as business and society rely more heavily on information, the skill sets and relationships of leaders and followers become more complex.

Professor **Craig Pearce** joined the faculty in January 2010, as the incoming director of the Leadership Institute. Building upon the demonstrated strengths of the faculty in place at the College of Business Administration, Pearce envisioned a leadership institute that would be

collaborative, innovative and impactful. The Institute for Innovative Leadership would provide an intellectual home for anyone striving to advance the science. The name was chosen to reflect the cutting edge research in leadership and the collaborative mission with both academics and practitioners. Bridges are being formed with partners from across campus in information systems, psychology, agriculture and organizational communications.

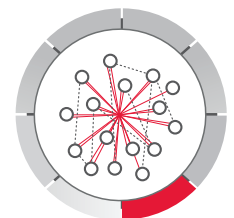
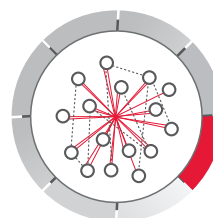
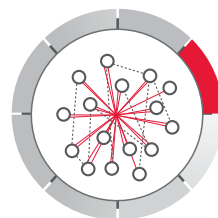
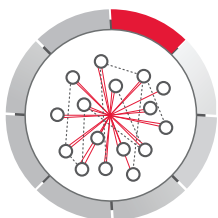
The recent research of Professor **Fred Luthans** shows that implementation of his theory of positive organizational behavior has a direct and measurable impact on the bottom line. If those in the workforce feel valued and are given meaningful work, they are happy and willing to make their part of the organization a success, which in turn, results in a satisfied customer. Luthans

continues to research positive organizational behavior (POB), and psychological capital, and the effect of micro-interventions in increasing competitive advantage for today's organizations.

Professor **Mary Uhl-Bien** has a unique perspective on leadership that began with studying the language differences in male and female leaders. Her research evolved into looking at the followers within a leadership structure. She is now one of the leading scholars in complexity leadership theory, which can be described as a whole that is richly and dynamically connected – a whole greater than the sum of its parts. Her research shows that teams in organizations are more successful if the leadership appears to be collaborative rather than featuring a strong leader. Teams are formed spontaneously and informally

across organizations to solve cross-functional issues. Highly structured cross-functional teams can often find the best solution to a problem. In her 2009 article in *Leadership Quarterly*, Dr. Uhl-Bien and her co-author concluded that leaders throughout a bureaucratic organization need to understand the entangled nature of adaptive and administrative processes and manage the entanglement. Leaders can be adaptive and encourage complexity within their organizations by being adept at “reading” complexity dynamics and injecting information into the dynamic that helps produce more effective emergent outcomes. All leaders need to understand that leadership is contextual and learn to interact effectively with those dynamic and complex contexts.

A corollary to Dr. Uhl-Bien's research on complexity



and spontaneous teams is buttressed by an article published in *The Academy of Management Journal* by Professor **Donde Plowman** and co-authors. The article, “Radical Change Accidentally: The Emergence and Amplification of Small Change,” received the Best Paper Award for 2007. A church in an urban setting was steadily losing membership. A casual conversation of church volunteers resulted in an idea to serve Sunday morning breakfast to the homeless population in the area to provide a volunteer opportunity. Within a short time they were serving more than 200 breakfasts. One volunteer, a doctor, opted out of the food serving line, to see people with untreated medical issues. The result was that mission of the church was fundamentally altered, as well as the immediate surrounding area. The unintended consequences of small changes escalated and led to radical organizational change.

In a recent article titled, “A Qualitative Study of High-Reputation Plant Managers: Political Skill and Successful Outcomes,” published in the *Journal of Operations Management* (2009), **Donde**

**Plowman** and **Dennis Duchon** and coauthors conducted a study of successful plant managers to find out what enabled their success. Their study of 11 award winning manufacturing plants in the Southeast showed that effective political skills enabled these plant leaders to influence subordinates in ways that contributed positively to organizational outcomes. These managers combined the use of political skills with the use of unobtrusive and systemic power to achieve affective and substantive outcomes.

As researchers strive to understand the complexities and theories of leadership, the most obvious application is found in the military.

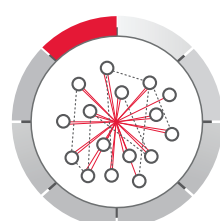
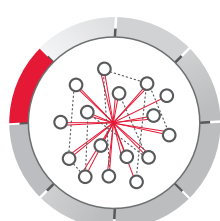
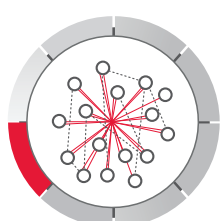
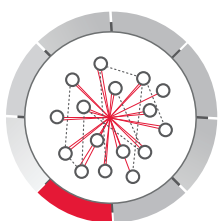
**Colonel Sean T. Hannah**, who received his doctorate in leadership at the Institute, was selected to establish the Army Center of Excellence for the Professional Military Ethic at West Point. The purpose of the Center is to study the dynamics of leadership, particularly leadership under stress. Col. Hannah, Assistant Professor, **Peter Harms** and Post-Doc Research Assistant, **Seth Spain** are looking at how certain personalities react in a given situation. In a recent publication in

*Leadership Quarterly*, titled: “Leader Development and the Dark Side of Personality,” personality traits are being investigated to discover if so-called “dark” aspects of personality impact the success of a leader development program. Specifically, Dr. Harms and colleagues tested whether individuals with elevated scores on the Hogan Development Survey, a measure of “dark” personality traits that have been linked with leader derailment, hindered character and competency development over time.

On the whole, the results of this study indicate that although “dark” personality traits may play an important role in determining both leader success and responsiveness to leader development programs, their impact is not straightforward. Although the authors concede that almost any personality trait can become pathological if taken to the extreme, it appears that there are organizational contexts where even “dark” personality traits can be associated with success. These results indicate not only that comprehensive personality assessments can help organizations determine which

individuals will be successful in specific organizational contexts, but also which individuals may benefit the most (or least) from leader development programs. However, the researchers also note that an individual’s current standing on these traits is by no means unchangeable. Prior research indicates that as most individuals age, their personality tends to develop in positive ways.

Professor **Dennis Duchon’s** interest in organizational behavior led him and his co-author to look at the culture of narcissistic organizations as an analog to the personalities of narcissistic leaders. The abstract for the article, published in the *Journal of Business Ethics*, states: “Extreme narcissistic organizations are unable to behave ethically because they lack a moral identity. While such organizations are not necessarily unethical intentionally, they become self-obsessed and use a sense of entitlement, self-aggrandizement, denial, and rationalizations to justify anything they do. Extreme narcissistic organizations might develop formal ethics programs, but such programs will have little effect on behavior.”





THE SECOND OLDEST INTERNATIONAL BUSINESS PLAN COMPETITION KICKED OFF  
WITH AN OPEN HOUSE DISPLAYING THE INNOVATIVE PRODUCTS AND SERVICES OF THE  
YOUNG ENTREPRENEURS. COMBINING ASPIRANT WITH ESTABLISHED, SUCCESSFUL.

# THE COOLEST NIGHT IN INNOVATION

More than 200 people gathered for the opening of the 23rd annual international business plan competition and Nebraska Entrepreneurs awards presentation.

Graduate students from 12 universities competed for prize money and received feedback on the viability of their proposed business start-ups. Teams are invited to the competition based on their plans. Ranging from diapers to artificial spines, the plans represented a diversity



of ideas not uncommon for entrepreneurs.

The Coolest Night in Innovation happens again in mid March 2011. Competitors will compete in a Quick Pitch format and more successful Nebraska entrepreneurs will be honored.

## ENTREPRENEURS FROM ACROSS THE STATE OF NEBRASKA WERE RECOGNIZED FOR THEIR ACCOMPLISHMENTS.

Nebraska Entrepreneurs create, innovate and succeed in a myriad of fields: in agriculture, livestock production, financial services, internet marketing, manufacturing, urban development, telecommunications, an



endless list of small and large businesses in the state. As Vice Chancellor Prem Paul says, "In Washington, D. C., they say that rural America is stagnant. I can prove that isn't true in Nebraska."



The Nebraska Center for Entrepreneurship was pleased to recognize the success of four Nebraska entrepreneurs. Dr. Prem Paul, Vice Chancellor for Research at the University of Nebraska-Lincoln, presented the awards.



Tyler and Candi Wingate Nannies International, Inc. Fremont, Nebraska Nannies4Hire.com is a service designed to assist

families in finding a quality nanny for their specific needs and requirements and offer nannies an enjoyable employment experience. The company is listed as one of America's fastest growing private companies by *Inc. Magazine*, and Candi is a frequent guest on Dr. Phil.

Mike and Sharon Schilling Schilling Bridge Winery and Micro Brewery Pawnee City, Nebraska This family owned business produces 6,000 gallons of wine and houses a tasting



room, banquet and meeting room and a gift shop. The microbrewery can produce 2,500 barrels of brew. The Schillings goal is to become Nebraska's trendy watering hole for locals and tourists.

Jim Terrano Telcor, Inc. Lincoln, Nebraska Beginning as a company providing consulting services to hospitals, clinical



laboratories and Point of Care device vendors, Telcor developed into a healthcare systems and solutions company that specializes in providing software products for point of care management, outreach compliance and clinical departments.

William D. Scott and Robert E. Scott WRK, LLC Lincoln, Nebraska Lincoln real estate/creative investment catalyst founded by the twin brothers, both University of Nebraska-



Lincoln graduates. Together they own and manage many commercial properties in Nebraska and Colorado. They have redeveloped several downtown properties, including the McKelvie Building and Color Court.

The Nebraska Center for Entrepreneurship serves students from across the university and across the state. Lincoln was selected by Entrepreneur Magazine as one



of the top ten "Best College Towns to Start a Business." <http://www.entrepreneur.com/magazine/entrepreneur/2009/october/203418-4.html>

### MAKE IT HAPPEN

All students from Nebraska were invited to the "Make it Happen – Student Quick Pitch Competition" held at Memorial Stadium. More than 200 judges, students and interested community members were in attendance. One participant said, "I learned that my idea is viable

and that I should consider starting it up." One judge said, "The best outcome was judges lining up internships or meetings for students to further vet their idea." <http://cba.unl.edu/outreach/ent/quickpitch/index.aspx>

Reaching out to students across campus, the Nebraska Center sponsored a Mentoring Roundtables event for students to talk to successful entrepreneurs in a speed-dating format. The Heartland Conference for Free Enterprise drew students from every college in the state to learn how to be successful entrepreneurs. Students can also participate in a business plan competition open only to UNL students.

In 2009, SIFE (Students in Free Enterprise) took ownership of the surplus online sales unit for the university. Surplus goods not being used by the university are sold online rather than stored in warehouses, providing a stream of revenue for colleges and departments across



campus. The business is owned and managed entirely by SIFE members. SIFE also owns the Daily Drip, a coffee shop located in CBA.

To learn more about the Nebraska Center for Entrepreneurship: <http://entrepreneurship.unl.edu>

Global financial and accounting experts gathered on the UNL campus to discuss the past and future impact of the current global financial crisis, hosted by the School of Accountancy and the Department of Finance. The conference was designed to facilitate conversation throughout the presentations.



The morning session entitled,

## Accounting Contribution and Response to the Global Financial Crisis,

featured a past and present Chief Accountant of the SEC, **Lynn Turner** and **Jim Kroeker**. **Tom Robinson**, Managing Director- Education CFA Institute, rounded out the panel. The discussion began with Tom Robinson's presentation about the history and

role Fannie Mae played in the meltdown. During the address he referenced a New York Times article dated September 3, 1999, "Fannie Mae Eases Credit To Aid Mortgage Lending." ([nytimes.com/1999/09/30/business/fannie-mae-eases-credit-to-aid-mortgage-lending.html](http://nytimes.com/1999/09/30/business/fannie-mae-eases-credit-to-aid-mortgage-lending.html)).

Government sponsored entities entering the market squeezed banks into riskier mortgage arrangements that marked the beginning of the end of the mortgage asset bubble. Lenders began to depend on stability and upward trending of housing values, and poor underwriting masked risks. The rating agencies were operating on default data from a simpler time and place. The federal government passed policies and regulatory framework that did not consider the complexity of the market or the risks.

The ensuing conversation from the participants began with **Mike Dunlap**, CEO of Nelnet, who commented that gain and sell accounting practices exacerbate the asset problem, and that income statements should do a better job of disclosing unrealized gains and losses. **Bob Johnson** said the CFA was a big proponent of fair value accounting, as they need that information for accurate assessment. Another participant commented that an additional element in the meltdown was the rise of credit default swaps that effectively were insurance on non-insurable interests.

Next on the podium was Lynn Turner, who connected the dots of culpability between the regulators, the investment bankers and congress. He discussed probable future proposals in corporate governance, regulatory oversight and legislation. He said, "I don't care who makes the rules, I just want some rules that make sense."

Turner was followed by the current SEC Chief Accountant, James Kroeker, who discussed the study of fair value (mark-to-market) accounting rules undertaken at the SEC. The conclusion was that fair value accounting increased financial reporting transparency and they did not appear to play a meaningful part in the bank failures of 2008. Those bank failures appeared to be more of a result of probable credit losses and concerns about asset quality.



Recommendations from the study included enhancement of disclosure requirements, and an examination by FASB of both the impact of liquidity in the measurement of fair value and the potential improvement to the impairment accounting models. Kroeker concluded by saying that off-balance sheet accounting was a great contributor to the meltdown.

**Tom Robinson**, spoke a second time to complete the morning session. He discussed the mission of the CFA, "To lead the investment profession globally by setting the highest standards of ethics, education, and professional excellence." The importance of CFA partnerships with business colleges is critical to the mission. The CFA is striving for more uniformity in financial reporting standards, preferably and a global set of standards. Above all, he advocates an independent and accountable reporting process without political pressure.

Luncheon keynote speaker was **Bob Johnson** who is Senior Managing Deputy CEO-CFA Institute. One theme of his talk was that the entire crisis was really a crisis of ethics. Regulation is essential as an unregulated market ultimately fails. In the crash of 2008, he stated that innovation exceeded understanding and proper regulation may have slowed the crisis. Quoting Warren Buffett, Johnson said, "It isn't how big your circle of competence is, but you need to know where the perimeter is."

The afternoon session,

## Retrospective Look at the Global Financial Crisis,

featured a retrospective of the crisis from financial experts from across the globe. **Christian Wild**, Ph.D., Managing Director, Genossenschaftsverband Bayern e.V., Munich, described the impact of the meltdown on German industry. Exports dropped by more than half in 2009, from 30 percent of DDP to 12.2 percent. Germany has the added burden of working within the European Union. Wild is expecting to see financial regulation in the future that will intensify consolidation of the banking market and overly burden small cooperative banks. Further market distortions will come through government subsidies for struggling banks.

**Scott Frame**, of the Atlanta Federal Reserve Bank, offered an overview of the causes of the current mortgage market meltdown, calling it an intersection of the use of mortgage-backed securities, global capital markets and regulation.

**Martin Holmes**, professor of economics at Oxford University, said the origin of the meltdown was in 1997, when the Bank of England achieved operational independence and lost regulatory oversight. Holmes called for a British Glass Steagall act (which separated investment banks from depository banks and was



Christian Wild, Greg Simon, Martin Holmes

repealed in the United States in 1980) and a competitive de-valuation of the pound to aid in Great Britain's recovery.

**Greg Simon**, Asia Equities Divisional Director with Macquarie Capital Securities, focused on similarities and differences between the asset bubble crisis Japan experienced and the US asset bubble crisis at the time.

**David Mulford**, most recently Ambassador to India, concluded the summit. Prior to his ambassadorship, he was Under Secretary of the U.S. Treasury for International Affairs and Chairman of Credit Suisse First Boston. He warned that increased nationalization of regulations will shrink cross-border capitalization, effectively killing the economic model of the last 40 years that produced the greatest period of economic growth ever. He was asked what would stop economic growth and replied that the greatest dangers were higher taxation, lack of budget discipline, and a growing reliance on government rather than on trade.

The Financial Analysis Conference showcased the success of UNL College of Business alumni. With the exception of Tom Robinson, David Mulford and Scott Frame, all speakers were alumni of the College of Business Administration. The next Financial Analysis Conference will be in fall 2011.

COLLEGE OF BUSINESS ADMINISTRATION ADVISORY BOARD

# AWARDS LUNCHEON



Incoming Dean Donde Plowman met Nebraska's prominent business people at the 26th annual CBA Awards Luncheon. More than 250 guests were on hand as business leaders were honored for their achievements. **The luncheon is sponsored by the College of Business Administration Advisory Board.**

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Vice President of Operations, State  
Farm Insurance

Bradley Walker  
CEO, Nanonation

Gary Warren  
President, Services Corporation,  
Hamilton Telecommunications

## LIFETIME ACHIEVEMENT AWARDS

Jack Dinsdale  
Roy Dinsdale  
(pictured with Gloria Dinsdale)



## BUSINESS LEADERSHIP AWARD

Byron Boslau

## CORPORATE LEADERSHIP AWARD

Hampton Enterprises – Joe Hampton



## BUSINESS EXCELLENCE AWARD

Gordon Whitten (pictured with Bradley Walker)

## DISTINGUISHED FACULTY AWARD

Bill Walstad  
(pictured with John Anderson)





# NEWS OF THE COLLEGE

## NEW FACULTY

### Dennis Duchon, Ph.D., E. J. Faulkner Professor of Management

Dr. Duchon received his Ph.D. in management from the University of Houston. Prior to coming to Nebraska, he was the Toby and Brenda



**Dennis Duchon, Ph.D.**

McKenzie Professor in Business at the University of Tennessee. As professor of management at the University of Texas at San Antonio, he served as chair of the department, and held a joint appointment in the School of Public Health at the University of Texas Health Science Center, Houston. Dr. Duchon has published widely in management journals in the areas of leadership, decision-making, workplace motivation, and complexity science. His work appears in publications such as *Journal of Applied Psychology*, *Organizational Behavior and Human Decision Processes*, *Journal of Management*, *Decision Sciences*, *MIS Quarterly*, *The Leadership Quarterly*, *Journal of Management Inquiry*, *Journal of Management Studies*, and many others.

### Craig L. Pearce, Ph.D., Clifton Chair in Leadership

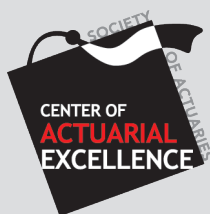
Craig L. Pearce, Ph.D., Clifton Chair in Leadership and director of the Leadership Institute at the University of Nebraska–Lincoln,



**Craig L. Pearce, Ph.D.**

pioneered the development of shared leadership scholarship and practice. Often cited, his work appears in top journals, and has spawned countless doctoral dissertations across the globe. A feature article in the *Wall Street Journal* demonstrates his widespread acclaim in the practitioner community. Among Dr. Pearce's many awards: the Ascendant Scholar Award, the Asia Pacific HR Leadership Award and an award from the Center for Creative Leadership for his work on shared leadership. His books include *Shared Leadership: Reframing the Hows and Whys of Leadership*, published by Sage Publications; *The Drucker Difference*, published by McGraw-Hill; and a forthcoming book, *Share the Lead*, to be published by Stanford University Press. An active keynote speaker and consultant to organizations, his clients include such organizations as American Express, British Bakeries, the Central Intelligence Agency, Fujitsu, the Metropolitan Water District of Southern California, Nielsen, Panda Express, Rayovac, Rover Group and Serono, among many others.

With much anticipation last fall, the students, faculty and staff of the Actuarial Science program prepared for the site visit by a team from the Society of Actuaries (SOA). The team was coming to evaluate the program for designation as a Center of Actuarial Excellence (CAE) in the inaugural year of the CAE program. In December, Warren Luckner, director of the



Actuarial Science program, received notice that the **UNL program is in the first group of 13 CAE designated programs, 10 in the United States and three in Canada.** The announcement was met with celebration including production of “UNL’s CAE,” a song and dance parody of “YMCA” by the Village People, dispelling the myth that actuaries have no sense of humor. View it on YouTube: <http://www.youtube.com/user/wrlact#p/a/u/0/X72muefhHE0>

An important element in the SOA’s intent to strengthen the academic branch of the profession, the CAE provides greater support to research, stretching the boundaries of the field and promoting the development and application of intellectual capital. Beyond the honor of being selected as a Center of Actuarial Excellence and the ability to use that designation in promotional materials, CAE programs become eligible for significant, multi-year grants in education and research.

An arduous process, achieving the designation requires submitting annual reports of activities to the SOA with the five-year review process. Criteria include the type of degree, curriculum, graduate count and quality, and faculty composition. Of the Big XII universities, only UNL received the designation and only three other Big Ten universities were included in the inaugural group. “Having (Nebraska) a part of the Big Ten will solidify the conference’s pre-eminence in actuarial science,” said Rick Gorvett, director of the Actuarial Science Program at the University of Illinois.

Director Luckner noted, “Ultimately, receiving the SOA’s CAE designation is recognition of the proud history of actuarial education at Nebraska, and the outstanding contributions that generations of UNL Actuarial Science students, alumni, faculty and staff have made to the actuarial profession and to the financial well-being of individuals, organizations and society.”

The Actuarial Science program faculty reflect the “hybrid” academic and pre-professional nature of the program. Professor Colin Ramsay and Associate Professor Mostafa Mashayekhi, both associates of the SOA, are traditional academic faculty with responsibilities for teaching, service and research. Director Luckner and Sue Vagts, assistant professor of practice, are both Fellows of the SOA and emphasize the pre-professional nature of the program through teaching theory of interest, actuarial applications in practice, various actuarial exam problem labs and principles of individual risk management. The pre-professional nature of the program also comes across in the very active student Actuarial Science club and the internship opportunities available to actuarial science students. This past summer, more than 30 students held internships. More than 175 undergraduate and graduate students enroll in the program, and 25-30 students graduate each year.

<http://actuarialscience.unl.edu>

### BETA ALPHA PSI

The UNL Chapter of Beta Alpha Psi received Superior Status, the highest award level, at the annual meeting of BAP. Alumni and Chief Accountant for the SEC, James Kroeker, was selected Business Information Professional of the Year.

### FIRST TEAM ALL BIG XII

85 CBA students were honored at the 2010 Student Athlete Recognition Banquet. The First Team All Big XII included 43 CBA student athletes, 15 of whom were selected to First Team All Big XII, including D. J. Belfonte, Zac Lee and Cory Montgomery.



### OUTSTANDING ADVISING AWARD

Warren Luckner received the 2010 UNL Student Foundation/Builder’s Award for Outstanding Academic Advising.



## ROGER BUTTERS WINS NATIONAL AWARD



Roger Butters was selected as the winner of the inaugural National

Council for Economic Education's Rising Star Award. This award honors someone who has made extraordinary contributions and exhibited leadership in economic education. In today's quest for an economically and financially literate populace, we are fortunate to have him as a leader for our Council and our State.

## NOBEL LAUREATE

Dr. Douglass C. North, sponsored by the Nebraska Council on Economic Education, spoke and participated in a workshop for economic educators from across the State.

## ANN MARI MAY WINS GRANT

Professor Ann Mari May, Executive Vice President and Treasurer of the International Association for Feminist Economists, housed at UNL, received a \$1.5 million grant from the Swedish International Development Agency to promote feminist economic research.

In Nebraska, family businesses abound, whether in ranching, farming, engineering or retail. Often, these businesses leave plans for succession until the last minute. Succession planning, an involved process starts with answering questions: Who assumes responsibility next? How does that person become competent? When does the parent step back and relinquish some control? What kind of tax planning is necessary?

That's where the Nebraska Center for Entrepreneurship comes in with a class on "Family Business." Funded by NEBCO's Jim Abel, who saw a need to ease some of the uncertainty of transitioning a family business, the class is taught by David Specht, a family business consultant.

The successful class has garnered national mention from *Bloomberg Business Week*, the *New York Times* and, most recently, as part of a cover story about Duncan Aviation in *Family Business* magazine.

"With such a high percentage of businesses in Nebraska being family based, this class is the perfect example of how class room teaching can meet real world



application," said student Betsy Branscombe, whose family owns Speedway Motors in Lincoln. "There are so many questions you face when considering returning to a family business that it makes Mr. Specht's knowledge, as well as the input from the class, absolutely invaluable."

Jack Abel, part of the NEBCO family, shares Betsy's enthusiasm. "The family business class was extremely valuable for me in many ways. I have always had a strong interest in my family business and Mr. Specht's class only strengthened that interest. We were not only able to learn from Mr. Specht, but also the multiple family business owners that he brought in to talk to us about different aspects of family businesses. This experience is something that you don't typically receive in your standard business class and it helped me begin my development of becoming truly valuable in my family business while I'm still in school, which is a great opportunity that a lot of people my age don't have."

<http://entrepreneurship.unl.edu>



## NEW FACULTY

### Subrata Chakrabarty, Ph.D.

#### Assistant Professor of Management

Dr. Chakrabarty received his Ph.D. degree in strategic management in August 2009 from Mays Business School, Texas A&M University. He won a doctoral dissertation proposal award at the 2008 Strategic



Management Society special conference.

His overall research stream centers on stakeholder relationships – the relationships among organizational stakeholders (leaders and employees), product market stakeholders (customers, suppliers, and host communities), and capital market stakeholders (shareholders and creditors). Chakrabarty has published in *Journal of International Management and Information & Management*, among other journals. His diverse work experiences include Toyota and Infosys Technologies.

### Scott Friend, Ph.D., Assistant Professor of Marketing

Dr. Friend received his Ph.D. from the J. Mack Robinson College of Business at Georgia State University. His research interests include personal selling, sales management and buyer-seller relationships.



Dr. Friend has published in the *Journal of Selling and Major Account Management*, as well as the *International Journal of Pharmaceutical and Healthcare Marketing* (2009 Highly Commended Award Winner and 2009 Outstanding Reviewer Award). Dr. Friend has also presented his manuscripts and published

proceedings at the American Marketing Association Conference, National Conference in Sales Management, and Society for Marketing Advances (2009 SMA Dissertation Competition Runner-Up).

## PROMOTIONS

### Aaron Crabtree, Ph.D., Associate Professor of Accountancy



Crabtree earned his master's degree in 2000 and Ph.D. in 2004 from Virginia Tech when he joined the faculty at the College of Business Administration. His publications include articles in *Auditing: A Journal of Theory and Practice* and the *Journal of the American Taxation*

*Association*. Crabtree was selected the Beta Alpha Psi educator of the year, Student Advisory Board Outstanding Faculty Member, and received a Certificate of Recognition for Contributions to Students from the UNL Parents Association.

### Amit Saini, Ph.D. Associate Professor of Marketing

Dr. Saini received his Ph.D. from Washington State University and conducts research in the areas of managing marketing technologies, and marketing ethics. His work has been accepted or published in



the *Journal of Marketing*, *Marketing Letters*, *Journal of the Academy of Marketing Science*, *Journal of Business Ethics*, and *Academy of Marketing Science Review*. Financial support for his research comes from the Marketing Science Institute (MSI) and the Institute for the Study of Business Markets (ISBM) at Penn State. He was

named the Harold and Esther Edgerton Junior Faculty at UNL in 2006, and received the Distinguished Teaching Award for CBA in 2007.

His teaching expertise includes marketing management, marketing strategy and sales management. His professional background includes quantitative market research and IT sales management.

### Eric Thompson, Ph.D., Associate Professor of Economics

Dr. Eric C. Thompson is the Director of the Bureau of Business Research at the University of Nebraska-Lincoln. Dr. Thompson's research on the Nebraska and national economy examines competitive factors affecting



state and local economic growth, the impact of infrastructure on the economy, and economic development. Thompson served as the president of the Association for University Business and Economic Research. He is a past Editor of *Growth and Change: A Journal of Urban and Regional Policy* and is co-author of the 2008 book *Entrepreneurship in*

*Nebraska: Conditions, Attitudes and Actions*. His research has appeared in the *Journal of Regional Science*, *Regional Science and Urban Economics*, and *American Journal of Agricultural Economics*.

**LAST OCTOBER, JOE MOGLIA,  
CHAIRMAN AND FORMER  
CEO OF TD AMERITRADE,  
SPOKE AT THE JEFFREY S.  
RAIKES SCHOOL ABOUT  
THE FINANCIAL CRISIS AND  
PERSONAL VALUES.**

The “How We Got Here” segment of Moglia’s speech focused on the economic crisis in 2008 and 2009. Moglia outlined the financial industry’s speculation in mortgages, the real-estate bubble burst, and how and why banks lent

about his past-spending, his adolescence in a gang neighborhood in New York and impregnating his high school girlfriend, but yet, still managing to attain a college education while supporting his wife and daughter and

# HOW WE GOT HERE AND WHERE YOU’RE HEADED



money to individuals with poor credit.

Moglia pointed out that as future leaders in business and technology, we need to understand, “if a decision you’re making is going to put your business’ or family’s well being in jeopardy, you cannot make that decision.

Wall Street ignored that and we ended up with the worst economic debacle we’ve had in seven decades.”

In the “Where You’re Headed” segment, Moglia spoke

working three jobs. To help support himself and his family, Moglia turned to coaching football, then working for Merrill Lynch, and eventually, leading at TD Ameritrade and working as a consultant with the Huskers. Moglia used his experiences to continually drive him. As we progress through life, Moglia advises that we stay true to ourselves and what we truly want, saying, “knowing who you are gives you spiritual soundness and peace of mind, and knowing who you are is a big deal.”

–  
To view Moglia’s full speech, visit <http://raikes.unl.edu/speeches.shtml>.



## Retired:

### C.J. Bachman

Distance MBA Coordinator  
C.J. successfully shepherded the distance MBA students through their coursework since the nascent beginning of the online delivery of the UNL MBA program. **Kerri Hiatt** is the new Distance MBA Coordinator.



### Les

### Carlson

received the Kim Rotzoll Award for Advertising

Ethics and Social Responsibility from the American Academy of Advertising for lifetime achievement. The award recognizes individuals or organizations who have demonstrated an outstanding commitment to advertising ethics and social responsibility. The award has only been given five times, including posthumously to the late Kim Rotzoll, after whom it is named. In 2009, Carlson received the American Academy of Advertising's Outstanding Contribution to Research Award.



### Sue Vagts

will serve as president of the Nebraska Actuaries Society for

program year 2010-2011.



### Gwendolyn

### Combs

was chosen program chair elect for the Gender

and Diversity in Organizations Division of the Academy of Management.



### Scott

### Fuess

earned International Scholar of the Year

honors from the UNL chapter of Phi Beta Delta. This award reflects his many years of service to international scholarly exchange and international scholarship.

### Warren Luckner

was elected to a two-year term on the governing council of the new Social Insurance and Public Finance Society of Actuaries Special Interest Section.

### Carlos Asarta

received the Faculty Impact Award for teaching and service from the Academy of National Hispanic Scholars.



### Deb

### Cosgrove

won the Shuler-Kistiakowsky award for

teaching, service and outreach at the University of Nebraska-Lincoln.

## LUTHANS TAKES "PSYCHOLOGICAL CAPITAL" TO ASIA

Early this summer, Professor Fred Luthans, University and George Holmes Distinguished Professor of Management, gave lectures in Malaysia, Indonesia, and China on his concept and application techniques of what he has termed Psychological Capital or simply PsyCap. Going beyond traditionally recognized financial and human capital, ten years ago Luthans published the first article on PsyCap, which he defines as one's positive psychological resources consisting of hope, efficacy (confidence),



resiliency, and optimism (or the HERO within us). Primarily with his former doctoral students such as James Avey and Carolyn Youssef and, then UNL colleague, Bruce Avolio, Luthans has the seminal book and numerous published research studies indicating that PsyCap is significantly related to desirable employee attitudes, behaviors and especially performance. His extensive basic research work clearly indicates that PsyCap (unlike personality traits, character strengths and talents) can be developed in short training interventions and in turn cause performance to improve. His concept of PsyCap and these research findings are receiving considerable attention around the world (a recent Google targeted search of "psychological capital" yielded about 50,000 results and specifically Luthans psychological capital about 25,000). The reception in Asia was very exciting with TV appearances, newspaper and magazine interviews, and received attention of major firms such as Marksplus Consulting in Indonesia and China Mobile (500,000 employees). Luthans continues to do research, writing and speaking on PsyCap and is now extending it into well-being with impact not only on work outcomes but also relationships and health.



## Foundation



## Foundation





## Foundation





## Foundation



## Foundation





# OWN IT!

IT'S YOUR COLLEGE  
COLLEGE OF BUSINESS ADMINISTRATION

- U.S. News and World Report
- A top 40 public business college
- Bloomberg Business Week
- 4th Nationally – part-time MBA
- Financial Times
- Top 40 Distance MBA
- Society of Actuaries
- Center for Actuarial Excellence
- CFA Institute
- CFA Partner Program

- Spring 2010 Graduates:
- 3.30 average GPA
- Major Field Test in Business
  - 34% of students scored at or above the 85<sup>th</sup> percentile,
  - 10% of students were at or above the 95<sup>th</sup> percentile.
- 650 Bachelors degrees conferred in 2009-2010
- Business Administration, Finance and Accounting are the most popular majors.

*"Own it! reinforces that we must take control of our future. As students, we must engage in our academics and use our resources available throughout the College to achieve our individual goals."*  
Mandy Haase

- Spring 2010 Graduates Reported:
- 85% – improved leadership skills
- 87% – improved public speaking
- 84% – improved understanding of international issues
- 92% – improved ability to work in groups
- 83% – able to manage change

*"Own it! means take responsibility for your own education, make the effort, get to know your professors."*  
Katie Nunnenkamp

*"Own it! inspires me to be proud of my college. We are here to build on each others talents and get better."*  
Cassie Person

