

NOTRE DAME BUSINESS

MENDOZA COLLEGE
MAGAZINE
WINTER 2011



Son, Daughter, Cousin ... Next Boss?

**CHOOSING YOUR
NEXT FAMILY
BUSINESS LEADER
IS NO EASY TASK**

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THE BIG PICTURE

In December, juniors from the *Foresight in Business and Society* course displayed their research findings about emerging trends in the Mendoza atrium. (See article on page 4).

ON THE COVER

Cousins (left to right) Madyson Sasse, James Sheehy, Cade Sasse and Jessica Velasquez (seated in front) may take over their extended family's well-known tortilla company, Azteca Foods, someday. Or maybe not. Our cover feature explores the promise and perils of generational succession in a family business.

Cover Photograph by Mark Battrell Photography
Photograph this spread by Matt Cashore (ND '94)



FSC Logo

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SEND LETTERS TO THE EDITOR AND CLASS NOTES TO:

bizalum.1@nd.edu

or:

Notre Dame Business
204 Mendoza College of Business
University of Notre Dame
Notre Dame, IN 46556-5646

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DEAN

Carolyn Y. Woo

EDITOR

Mary Hamann

MANAGING EDITOR

Carol Elliott

ASSOCIATE EDITOR

Peggy Bolstetter

WRITER

Ed Cohen

DESIGN

Gwen Frederickson

Editor's Letter



When I was a freshman, I would stand with my friends from Lyons Hall in the stadium during football games. When the *Notre Dame Victory March* would be played, we would half-sing, half-yell the added phrase “*and daughters*” with the last line.

It was simply impossible to keep the tune with the extra words—“*marchingonward*” became one slurred word. But we would sing it out anyway. Game after game.

And it always made me smile.



Mike Bennett/Lighthouse Imaging

The ND women's soccer team celebrates a championship at WakeMed Soccer Park in Cary, N.C.

Because it was 1978, and we were only the seventh class of women admitted to this university. And it didn't take much to remind us that we were interlopers. Mournful alums would write into *The Observer* for weeks whenever a beloved dorm was “turned over to the girls.”

I smiled the same way on Dec. 5 when the Irish women's soccer team upset undefeated and top-ranked Stanford to take the crown. Count them. Three national championships since 1995.

At Mendoza, we're proud to claim seven business majors among the champions, as well as a science and business double major.

It's been a surprising cultural transformation at Notre Dame. Remember, there wasn't a single female athlete on scholarship here in 1978. And Notre Dame didn't have women's varsity soccer until 1988.

In the decades since Title IX promised women new opportunity, Notre Dame has made an unparalleled commitment to its Olympic, nonrevenue-producing sports programs, benefiting many female and male athletes alike. And it's something to celebrate.

Next time you're at a football game, and they bring out a group of women athletes during one of the timeouts, take a moment to really listen to the announcer and to marvel at what they achieve for their alma mater. And consider singing along:

What though the odds be great or small,
Old Notre Dame will win over all,
While her loyal sons *and daughters* are marching
Onward to victory.

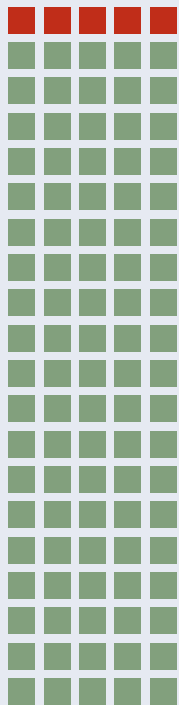
Mary Hamann

—Mary Hamann, Editor
hamann.4@nd.edu

By The Numbers

Top Schools for ROI

Graduates of top undergraduate universities will earn \$1 million more than a typical high school grad during their career, according to new research by PayScale, a Seattle-based company that collects wage information for *Bloomberg Businessweek*. Notre Dame was ranked among the top 10 schools for net return on investment with an expected ROI of \$1.38 million during a 30-year career.



... and CEOs

The Ivy League doesn't lead as an undergraduate breeding ground for chief executive officers of the 100 largest U.S. financial firms, according to *Bloomberg Markets* (Aug. 2010). Notre Dame was No. 1 on that score. The Fighting Irish provided 5 of the top 100 CEOs:

- Debra Cafaro ('79), Ventas, B.A., Government & International Studies
- Terrence Cavanaugh ('75), Erie Indemity, B.A., Management
- James Flaherty ('79), HCP, B.A., Accountancy
- Paul Reilly ('76), Raymond James Financial, B.A., PreProfessional
- James Rohr ('70), PNC Financial Services Group, B.A., Economics

THE WALL STREET JOURNAL.



... and Executive MBAs

The Notre Dame Executive MBA program earned the No. 6 ranking in *The Wall Street Journal's* "Best Executive MBA Programs 2010," a worldwide ranking released in September. Mendoza received especially high marks for its teaching of critical management skills and emphasis on business ethics. Notre Dame offers a 17-month Executive MBA program in Chicago, as well as a 21-month program in South Bend, with an off-site classroom in Cincinnati.



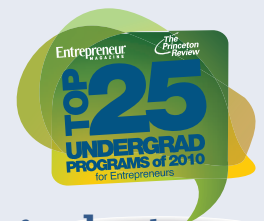
... and Veterans

The Mendoza MBA program was named a 2011 Military Friendly School by *G.I. Jobs* magazine for its efforts to recruit and educate members of the U.S. armed forces and veterans. The Class of 2011 welcomed 14 MBA students with a military background, up from three in the Class of 2005. Of these, five had earned the Bronze Star Medal for valor.



... and MBAs

The Notre Dame MBA program earned high marks for career placement and faculty teaching and a ranking of 24th among U.S. business schools in *Bloomberg Businessweek* magazine's biennial survey of the top business programs, which was released in November 2010.



... and Undergraduate Entrepreneurs

Entrepreneur magazine awarded Notre Dame the No. 8 spot in its ranking of "Top Undergraduate Entrepreneurship Programs." The survey cited these distinguishing aspects of Mendoza's Gigot Center for Entrepreneurial Studies: an undergraduate major in entrepreneurship; broad programming and opportunities; and mentoring through the Notre Dame network.

Going Paperless

“This has become known as the ‘iPad class,’ said Management Professor Corey Angst. “It’s actually not. It’s *Project Management*.”

But a classroom full of 40 students tapping away on their new iPads definitely made the seven-week module newsworthy. Angst’s class served as a University pilot project to test the use of e-readers as part of a paperless classroom, where the wireless tablet computers replace traditional textbooks, written tests and handwritten notes.

Angst and other members of the Notre Dame ePublishing Working Group, which consists of a broad array of colleges and departments, were interested in studying how well the e-reader serves classroom needs. The broader goal of the pilot is to design an “e-publishing ecosystem” at the University that would make creation and distribution of e-materials simple and inexpensive for faculty, staff and students.

Angst, who conducts research on the transformational effect of information technology, recorded observations about iPad use—what worked well, the shortcomings, student comments—on his “Teaching with Angst” blog (teaching-with-angst.blogspot.com/). He plans to write a paper about his findings based on student surveys and focus groups. He says the overall initial feedback from students has been overwhelmingly positive.

“We learned a lot from the study and didn’t encounter any major barriers, or minor ones for that matter,” said Angst. “The



e-textbook reader and freehand note-taking for the iPad still aren’t where they need to be, but the students found lots of value-added benefits, such as the convenience, having information at their fingertips and always feeling connected.”

The iPads—which were on loan from the University—will now be used for similar studies with a number of groups on campus, including MBA and First Year of Studies students.

—Carol Elliott and Shannon Chapla

WINDMILL-REPAIR JOBS, MORE MEAT-EATERS LIE AHEAD, ‘FORESIGHT’ STUDENTS REPORT

“You cannot lead if you don’t know what is coming at you,” said Dean Carolyn Y. Woo in 2009 at the launch of the *Foresight in Business and Society* course in Notre Dame’s Mendoza College of Business.

Here’s some of what is coming at us, according to students who took the course in fall 2010:

- A booming job market for windmill-repair technicians because so many electricity-generating wind turbines are being installed
- A developing world with an increasing appetite for meat because greater affluence usually leads to greater meat consumption

- An uptick in some manufacturing jobs in, of all places, the United States because of rising transportation costs globally and improving wages in outsourcing meccas such as China

Those predictions came from the more than 60 displays in the Mendoza atrium on Dec. 9, 2010. That was the day about 300 students in the *Foresight in Business and Society* course, who work in teams, presented findings from their semester-long research projects. A more detailed look at seven of the projects can be found online at bizmagazine.nd.edu.

Foresight in Business and Society teaches students to think critically

about emerging global and environmental trends, their implications, proposed actions for intervention, and the ethical considerations of different choices. Mendoza is the first business school to require such a course as part of its core curriculum. Students take the course during their junior year. Foresight instructors Suzanne Coshow, Samuel Miller and Chad Harms recently were awarded a Smarter Planet Skills Innovation Award from IBM for their proposal for broad-based curricula.

—Ed Cohen

web exclusives

Read expanded article at: bizmagazine.nd.edu



Latino Connections

The ribbon-cutting ceremony for the 2010 National Society of Hispanic MBAs Conference & Career Expo on Oct. 22 got the full “Irish” treatment, with the marching band, cheerleaders and leprechaun parading into McCormick Place in Chicago playing the “Notre Dame Victory March.”

The shirts worn by Notre Dame representatives had “Irish” on the front and Somos ND (Spanish for “We are ND”) on the back.

The University served as lead academic sponsor for the expo, the society’s premier annual event in its mission to foster Hispanic leadership and education. This year’s expo drew more than 7,200 people, 180-plus companies and 70 educational institutions. The Notre Dame MBA program hosted the society’s corporate advisory board meeting and clinics in job-seeking skills.

In a separate ceremony following the event, Notre Dame received the society’s Brillante “Bright Flame” Award in recognition of its long-running support of the Hispanic community.

Notre Dame’s Latino connections date to 1864 when the first student with a Spanish surname enrolled. The University established the Institute for Latino Studies to support interdisciplinary research initiatives in 1998, and in 2008 launched a task force to improve educational opportunities



available to Latino children. *Hispanic Magazine* consistently ranks Notre Dame among its top 25 colleges for Latinos.

The Notre Dame MBA program conducts an annual diversity conference that includes discussions of the growing power of Hispanic businesses and consumers. In partnership with the Holy Cross College Teacher Education Program, the MBA program organized La Familia Extendida, which encourages greater academic success among Hispanic students by providing entire families with training in English and help navigating the transition to life in the United States. Mendoza’s Nonprofit Professional Development programs also provide executive education to U.S. Hispanic Chamber of Commerce leaders.

—Carol Elliott



MBA Career Services Director Pat Perrella

MENDOZA WEBSITE TAKES TOP HONORS

In August, the Mendoza College of Business received the *Best University Website* award in the Web Marketing Association annual competition. The site (business.nd.edu) was judged on seven criteria and earned high marks in six categories, including content, innovation and interactivity.

The website redesign was spearheaded by members of the internal Marketing and Web, Communications, and Web IT teams who worked with Boston-based design firm Corey McPherson Nash.

“One goal was to bring the ideas of our faculty and students to the forefront,” says

Mendoza Marketing Director Bill Gangluff. “Our front page features 12 unique stories that bring the Mendoza Ask More of Business™ positioning to life.”

A faculty commentary, an extensive video gallery, and robust program and news sections add depth and currency to the site.

The Web Marketing Association reviewed more than 2,000 sites from 45 countries

in 96 industry categories during this year’s competition. Runners-up in the university category included Villanova University and the Anderson School of Management at UCLA.

—Mary Hamann





ETHICAL DIMENSIONS OF A FLATTENED WORLD

the
GLOBAL
MARKET
PLACE

and the
COMMON
GOOD

THE NOTRE DAME FORUM:
A YEARLONG DISCUSSION

By Ed Cohen

If this year's Notre Dame Forum on the Global Marketplace and the Common Good has taught us anything—and it has—it's that today's bigger, more interconnected world economy is ...

BENEVOLENT because it's lifted billions of people out of desperate poverty;

DANGEROUS because it's led to millions of tons more carbon dioxide being pumped into the atmosphere from coal-burning factories working overtime in developing countries;

A BARGAIN because it's yielded better products at lower prices;

DISCOURAGING because if an employer can find someone to do your job cheaper on the other side of the planet, you can kiss your livelihood goodbye;

ENCOURAGING because if you can do a job cheaper than someone on the other side of the planet, you can kiss a livelihood hello;

VEXING because no consensus has emerged over:

- What should steer the global marketplace (Laws? Trade agreements? Universal values?) or
- Whether the marketplace should be steered (Invisible market forces?) or
- If it even can be steered.

The uncertainty remains after heartfelt,

thoughtful input from scholars, best-selling authors, politicians and even the pope – all of whom have been represented (or had their views represented) on campus this year. And the year is only half over.

Established in 2005 by President John Jenkins, C.S.C., the annual Notre Dame Forum brings leading authorities to campus to discuss substantive issues of the day. This year it consists of a yearlong “conversation” on the role of ethics, values and morals in rebuilding and reshaping the global economy.

The topic was inspired by Pope Benedict XVI's 2009 encyclical *Caritas in Veritate* (“Charity in Truth”). In the 27,000 plus-word teaching, the pope emphasizes the need to temper the profit motive with a “people-centered” ethics.

One of the lead organizers of this year's Forum is Edward J. Conlon, associate dean for Graduate Studies of the Mendoza College of Business and Sorin Professor of Management. To him, the encyclical is about how economics, technology and, to some extent, government combine to either enhance or hinder authentic human development. The church defines that concept as “improving the state of mankind with a particular focus on people who are less privileged,” he said.

“The interesting thing about *Caritas in Veritate*,” Conlon said, “is that it puts the burden of change on people” – every

individual, as opposed to simply governments or businesses.

At the first event of the forum, Notre Dame faculty from theology, economics and public policy analyzed the mandate of the encyclical.

The theologian, Margaret R. Pfeil, assistant professor of moral theology, agreed with the pope. Change has to come from personal ethics: people searching their hearts, rejecting the status quo and taking specific actions. She reminded listeners that the earth's resources are finite and of the Gospels' imperative to help the poor.

“The goods of the earth are given in common, and no one is justified in keeping what he does not need when others lack necessities,” she said.

The economist, Bill Evans, the Keough-Hesburgh Professor of Economics, said free markets are the only reliable route to prosperity and human development. Since 1980, he pointed out, the growth of world trade has lifted billions of people out of poverty; 780 million in China alone.

“Economic growth is considered by some to be a ‘dirty word,’ but for millions of people it is the difference between going hungry or not,” he said.

The public-policy expert, Douglass Casel, a professor of law and director of the Center for Civil and Human Rights in the Notre Dame Law School, said market forces are not enough. Governments in developed countries have to step in and require that multinationals operating businesses in weak, developing countries adhere to fair labor and environmental standards.

Then came *New York Times* columnist Thomas Friedman. In his forum-sponsored appearance on campus in early November,



Thomas Friedman

the Pulitzer Prize-winning author of *The World is Flat: A Brief History of the Twenty-First Century* and *Hot, Flat, and Crowded: Why We Need a Green Revolution—and How It Can Renew America* discussed

the economic playing field leveled by globalization. But he spent as least as much time lamenting what he called “unsustainable” economic and environmental policies and ethics.

When historians look back at the financial crisis of 2007-08, Friedman said, they won’t view the period as merely a financial crisis.

“They’re going to say this was the moment when the market and Mother Nature said, ‘This is your warning heart attack. You are growing in an unsustainable way. Turn back now.’”

The crisis, he said, was the inevitable result of a business cycle that consisted of Americans “building more and more houses and more and more stores so we could buy more and more stuff to be made in more and more Chinese factories powered by more and more coal so they could earn more and more dollars to buy more and more T-bills to be re-circulated back to America, so we could build more and more houses and more and more stores ...” ad infinitum.

That loop was not sustainable, he said. And neither is society’s abandonment of traditional values like long-term thinking in favor of “situational values” by which people ignore future consequences of their actions for immediate gain—especially if at that future date “IBG” (I’ll Be Gone) or “YBG” (You’ll Be Gone).

He gave the example of home mortgages

during the housing bubble. Banks approved loans well beyond buyers’ means. Buyers took advantage of no-money-down, no-payments mortgages, only to walk away when the freebies expired. The investment industry packaged these mortgages into dubious financial instruments. Everyone made out in the short-term, he said, but it led to a painful day of reckoning.

The same dynamic applies to those who ignore the future perils of climate change, he said.

He also said he’d like to see an Earth Race akin to the Space Race of the 1950s and ‘60s with the United States again taking the lead. He mentioned that Chinese friends sometimes accuse him of

exaggerating China’s accomplishments and prospects. His response: “You’re my Sputnik.”

Just as the launch of the Soviet satellite scared the United States into developing a space program, Friedman hopes China’s economic explosion rouses America out of its complacency and into the collective action needed to develop clean-energy technologies.

Speaking to an audience made up mostly of college students, he said it would be up to the generation now coming of age to become the “Re-Generation” and restore sustainable values.

“[I]f we don’t do this, friends, we are really in trouble.”

CATCH THE CONVERSATION ONLINE

Video, photos and online comments from most events can be found on the Notre Dame Forum home page, forum.nd.edu.

Sept. 21, 2010: **Morals & Markets: Being Catholic in a Global Economy**

Should transnational corporations be held accountable? An economist’s “take” on *Caritas* and what it means for Catholics. What does “charity” mean in the Catholic social tradition?

Oct. 6, 2010: **The Professions and the Common Good**

Four alumni—a senior Wall Street executive, a pediatric anesthesiologist, a judge-professor and a young entrepreneur—describe how concern for the common good drives their daily decisions.

Oct. 12, 2010: **Technology: Boon or Bane?**

The deans of Notre Dame’s science and engineering colleges join two of their faculty for a discussion of the challenges of employing technology for the greater good.

Nov. 3, 2010: **New York Times columnist Thomas Friedman**

The Pulitzer Prize-winning author of *The World is Flat: A Brief History of the Twenty-First Century* describes the economic and ethical challenges of competing on a “flattened” world.

Dec. 5, 2010: **From Charity to Justice: The Truth about Exploiting the Poor**

Gary Rivlin, author of *Broke, USA: From Pawnshops to Poverty, Inc.*—How the Working Poor Became Big Business, says companies are devising high-priced products to exploit the working poor.

Feb. 24, 2011: **Senator Evan Bayh**

The former Indiana governor, who decided not to seek re-election to the Senate in 2010, addresses “Government, Politics and the Common Good.”

More spring events were in the planning stage as this issue went to press. For the latest, visit forum.nd.edu.

THE STUDENTS REACT

The Notre Dame Forum event featuring Thomas Friedman's speech didn't end with the handful of audience questions The New York Times columnist answered at the end. In the days that followed, student-led discussions were held in seven dorms.

Here's some of what the students had to say:

FRIEDMAN SAID ...

The Greatest Generation built a world of abundance and freedom by living by sustainable values. His generation squandered the prosperity by moving away from those values. People coming of age today need to become the Re-Generation.

STUDENTS SAID ...

"We need people who are running for power to introduce this new idea of working together and creating a common goal. And it's not just going to be one person who fixes the whole thing. I think it will be a trend that starts to develop. Maybe our generation starts that trend. We're not necessarily the Re-Generation but maybe the beginning of tipping toward that."

—Maureen McQuillan, sophomore

"As a country we need to move to more sustainable practices in almost anything we do. But the idea that there was a time when we [had sustainable values] and in one generation we lost them is kind of silly."

—Stephen Fox, first year

FRIEDMAN SAID ...

He's an optimist about America's future and its ability to change and adapt.

STUDENTS SAID ...

"We don't see the immediate negative effects of what we might be doing, so it's harder to be motivated to change what we're doing. We can say that in 20 or 30 years we're going to be out of X or we'll not be able to do this or that ... but how many of us can say that we really care about what's going to happen in 20 or 30 years? How many of us care enough to change what we're doing today?"

—Rob Goodale, sophomore

"If we want to be a sustainable power, then maybe we need to lead with responsibility ... I just have a hard time giving up hope in people being naturally good."

—Katherine Gates, junior

"I think change has started, we just haven't noticed it yet. I think change is going to take a long time. I don't think one administration can do it. I don't think two administrations can do it. I don't know if it has to do with the government ... I think change for more sustainability is going to take a long time, maybe a decade, maybe a decade and a half. But I think we've started on the right track ..."

—Megan Finneran, sophomore

FRIEDMAN SAID ...

America can and should lead the world in developing clean-energy technologies. If we delay, the industry and the jobs will take root in another country, probably China.

STUDENTS SAID ...



"A lot of people hold these views of, 'Why are you outsourcing these jobs? Why are good American jobs going overseas?' I think that's really almost an ethnocentric view of things. Why does an American have more of a right to a job than a guy in China? Think about that. Globalization – the beauty of it in a lot of respects – is a lot of these people in these poor countries who didn't have any opportunities before now do have opportunities brought

to them by the West, by America. And, yeah, there's some sacrifice here at home, but in the concept of the greater good ... we are actually accomplishing a greater good."

—Mark Easley, junior

"America kind of lives in its own little world. As much as we're trying to globalize, we still think that whatever we think is right ... We think that we know what the common good is, but do we really?"

—Samantha Stempky, sophomore



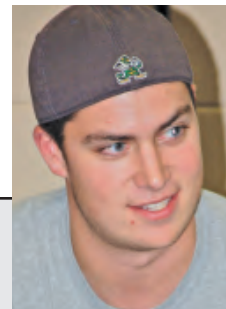
FRIEDMAN SAID ...

On a "flat" earth with more level economic opportunities, people have to compete against all others all over the globe. To counter sheer numbers of low-wage workers you have to be the brightest, hardest-working or the most innovative.

STUDENTS SAID ...

"We as Notre Dame students are competing with the same kids at the University of Tokyo and the ones at the University of Beijing ... and I think we can say it, the kids in China are a lot more driven (than we are). I was talking to my college counselor before I came in August. She was in China teaching Chinese kids how to apply to American colleges. She said she had six kids. They were only the middle tier of their class, too, because the top two [tiers] have to go to college in China. And these six kids all had (perfect) 800s on every single SAT or SAT II that they took. She said she wanted them to write her one essay for the common (admissions application). They came back the next day with four essays each."

—Jack Trunzo, first year



—Photography and editing by Ed Cohen

That'll Teach You

Mike Vogel

(65) Entrepreneur in Residence, Gigot Center for Entrepreneurial Studies, Former Executive Vice President, ACCO North America; President, Acme Boot Company; and President, Jarman Shoes

The SETBACK:

Failing to see a game-changing technology juggernaut headed straight toward my business.

The STORY:

It was 1996, and Mike Vogel had just taken over as president of Day-Timer, a division of office supply giant ACCO Brands. Back then, the reigning workplace status symbol was the personal organizer—a book-size binder with a paper calendar and address book meant for note-taking. That's right. With a pen or pencil.

That same year, a Chicago-based technology company called U.S. Robotics debuted a small digital device known as the Palm Pilot. Within months, Vogel's business life would be turned upside down.

"First, we started losing the male customer, but our sales were steady with women," he said. This was initially a comforting thought, Vogel explained, because women commonly bought not one, but two organizers—one for work, the other to manage the household.

But eventually the move to electronic calendars couldn't be ignored. So the company envisioned a digital interactive solution that wouldn't kill its paper-based product. External website developers working with the Day-Timer team created a dedicated website featuring an online calendar and address book where customers would keep their data for printout—on Day-Timer paper. The site would cost customers nothing but would be supported by advertising.

Work would continue into 1998 on the solution. But Vogel and Day-Timer weren't alone. "We were trying to improve our software to be the best, but a small team of developers brought theirs to Yahoo! first and sold it for something like \$30 million to \$50 million, which was the kind of money getting thrown around back then."

That was the death knell. By late 1998, Palm dominated the digital organizer market and Day-Timer was trying to find a buyer for its software.

The LESSON:

"There's one thing I've learned: All businesses get stale at some point and the challenge is to see this coming and to refresh the business," says Vogel.

"We didn't understand the digital customer and what they wanted, and when we attempted a solution to catch up, we went for perfection instead of speed. We missed a paradigm shift in the early, critical stages and it's rare for a company to succeed when they are playing catch up."

Photograph by Matt Cashore (ND '94)

—Lisa Holten

New MBA Fellowships

A \$10 million gift from Kenneth R. Meyer ('66), retired chairman and chief executive officer of Lincoln Capital Management Co., will establish fellowships for the Notre Dame MBA program.

Meyer's gift and \$10 million in University matching funds will support 16 Kenneth R. Meyer Fellowships a year – eight for admitted applicants in each two-year MBA class. The initial fellowships will be awarded to first-year students in 2011-12.

The Meyer Fellowships will be part of the newly established Meyer Family Center for MBA Studies, which will sponsor an annual distinguished guest lecture focused on ethical business leadership. The center also will participate in the ethics orientation sessions offered to all incoming MBA students.

"In partnering with Notre Dame, the goal of the Kenneth R. Meyer Fellowships is to elevate an already strong business program into a world-class one that emphasizes the values of leadership and character, which are so important to the Meyer family," said Rev. John I. Jenkins, C.S.C., the University's president.

Meyer, who graduated *magna cum laude* from Notre Dame and received his MBA from the Wharton School of Finance in 1968, has served as a key member of the Business Advisory Council for the Mendoza College of Business and also endowed the Kenneth R. Meyer Professor of Global Investment Management.

—Carol Elliott

Moo U: Students tackle dairy industry case

Estimates vary, but dairy cows contribute as much as 3 percent of man-made greenhouse gas (GHG) emissions. All of the usual jokes aside, it's a significant problem that has moved center stage for the Innovation Center for U.S. Dairy, whose board includes 30 dairy industry CEOs representing nearly 80 percent of the 182 billion pounds of milk produced every year. The center has set a goal of reducing dairy industry GHG by 25 percent by 2020.

This fall, a group of 13 Notre Dame MBA and four Master of Science in Accountancy students took part in a weeklong Interterm Intensive course that took on the challenge of developing a flexible business plan to promote "Dairy Power." This initiative involves converting manure into methane gas to produce electric power through the installation of an "anaerobic digester" and a generator.

In particular, student teams were asked to craft a marketing strategy to educate the various stakeholders critical to large-scale adoption of the technology. Currently, just 124 of the roughly 60,000 U.S. dairy farms use digesters.

Students spent a day touring the vast cow barns and seeing a digester first-hand at Fair Oaks Farms—part of a 10-farm, 30,000-cow dairy cooperative in northwest Indiana—before meeting as teams to strategize solutions. "As the week progressed, I watched the students realize what is possible here, what can be done," said Erin K. Fitzgerald ('99), vice president of sustainability at the Innovation Center, who worked with the students and acted as a judge for the final presentations.

The recommendations ranged from the winning proposal that identified specific communities where farmers and food processing plants could partner to utilize the technology, to an economic analysis showing the favorable comparison of a digester with wind and solar energy production, to a "Raise a Stink" campaign to educate consumers about digesters.

"The case was particularly interesting because each student had to take the core problem-solving frameworks from our coursework at Mendoza and apply them to a completely foreign industry," said Justin Whitmore (MBA Candidate 2011). "This resulted in two interesting outcomes: In a very short amount of time, we developed solutions that the dairy center valued, and each student saw how the Mendoza curriculum helped each of us work quickly and effectively in new and ambiguous situations."

—Carol Elliott



Photograph by Carol Elliott

IS FAIR VALUE REALLY FAIR?

Banks claim an accounting practice made the recession worse, but research indicates they're just trying to shift the blame for their own bad loans

As the United States continues its struggle to emerge from the worst economic crisis since the Great Depression, a practice known as fair-value accounting has been taking heat. Critics—mostly banking associations—say it worsened the recession's impact on banks, restricting their ability to lend money. Congress, prodded by banking industry lobbyists, has held hearings on the subject and pressured the Financial Accounting Standards Board, which responded swiftly with changes. And the debate has continued in both mainstream business publications and academic journals.

But ongoing research by three faculty members in Mendoza's Accountancy Department indicates that fair value is getting a bum rap from those in banking circles who may be using the controversy to loosen some of the regulatory controls that were put in place during the past three decades.

"They're blaming the messenger," says Brad Badertscher, assistant professor of accountancy, who conducted the research with two colleagues, Assistant Professor Jeffrey Burks and Professor Peter Easton. "Mortgages were oversold, and banks made bad loans. It's not the fault of fair value—it's economics."

Fair-value accounting, also known as mark-to-market accounting, has been an evolving part of Generally Accepted Accounting Practices in the United States for more than half a century. It requires banks to report assets at current market value versus the historical value, or original purchase price. These regulations were tightened to protect investors and depositors following the savings and loan crises of the 1980s and 1990s, and again after the Enron/WorldCom debacles several years ago.

How does that relate to the current recession? Banks are required to maintain a certain amount of "regulatory capital" to lend. The minimum required is 6 percent, although the number for most banks falls in the 10-12 percent range, including almost all of those in the researchers' sample of 150 bank holding

companies, whose 2004-2008 filings were examined. The banking industry claims that with the economy collapsing—and particularly with real estate values falling—fair-value accounting forced them to write down the value of many of their assets. This, in turn, reduced their regulatory capital, giving them less to lend and forcing them to tighten loan requirements. This makes it

much more difficult for consumers to borrow money and exacerbates the impact of the recession on the entire economy.

Not so, say our researchers. "We looked at the portion of the banks' portfolios that consists of securities—stocks and bonds—that they hold as investments," says Burks. "Most of the problem investments were mortgage-backed securities. Many home-

owners stopped paying, so the securities tied to those mortgages plummeted in value. However, because of the way regulatory capital rules are written, most of the write-downs that banks were taking actually had no effect on their regulatory capital."

In fact, note the researchers, most bank assets are not fair valued, and those that are have little effect on regulatory capital if the bank intends to hold them instead of sell them at low prices. "This was not understood by most politicians or the public," says Burks. "Our research found that the effect of fair-value accounting was negligible. Banks simply had a lot of charge-offs for bad loans."

"Our findings suggest that Congress was rash in demanding rule changes," adds Easton. "This should give pause to advocates of even more government involvement in accounting standard setting."

But the pressure for rule changes remains unabated, in large measure because bankers would like to further scale back these regulations, so the debate—and the research—will continue. Stay tuned.

“Most of the write-downs that banks were taking actually had no effect on their regulatory capital.”

—Robert S. Benchley is a business writer based in Florida.

WEARING GENES AT WORK

**Professor Tim Judge
is uncovering the
hard-wiring behind
career success**

IF Tim Judge ran a company, the last thing he'd do in filling job openings is look at a bunch of resumes.

He'd rather know the applicants' responses to questions like, "Which THREE of the following words have similar meanings – Observable, Manifest, Hypothetical, Indefinite, Theoretical."

And, "How accurately does the following statement describe you: 'If my boss told me to do two contradictory things, I would not know what to do.'"

That's because Judge, Notre Dame's new Franklin D. Schurz Professor of Management, is convinced that years of training and experience are not the best predictors of whether someone will excel in a certain role. The person's genes are.

What an employer ought to do, he says, is find the smartest applicant ("Intelligent people are quick learners, so even if they don't have the needed experience they can learn it very quickly") whose personality also suits the job's responsibilities.

To identify that person requires testing, and Judge, one of the most widely published researchers on how people's individual differences—psychological and physical—affect success in the workplace, is especially high on two written tests. Both are referenced above.

The first question, about words with similar meanings, is a sample from the Wonderlic Contemporary Cognitive Ability Test. This is a high-pressure, timed test; the questions get progressively harder. NFL teams have started using it to gauge whether a college quarterback can think quickly enough on his feet to merit drafting.

The second question comes from the Big 5 Personality Test, which is an online knockoff of the famous (and copyrighted, so the questions can't be reprinted) Revised NEO Personality Inventory. "Big Five" refers to the five dimensions of personality widely recognized by psychologists.

Judge, a psychologist himself, has spent most of his life trying to understand why some people succeed at work more often than others. A lot of it comes down to personality, he's concluded.

Growing up on a farm in Iowa, he says he noticed that even animals raised together displayed different temperaments. Leaders inevitably emerged in herds. A dominant cow would enforce her will by pushing other cows around a pasture.

Later as a 23-year-old assistant manager of a Kohl's department store he noticed that his smart and conscientious manager of the sporting goods department nevertheless tended to stir up unrest among fellow employees.

"As I got to know her better I realized that in a way it wasn't personal and it wasn't about Kohl's. She was

pretty critical of most things in her life,” Judge recalls. “When I went into a Ph.D. program ... that’s what I wanted to study, how affective temperament may influence how we see work and influence work.”

His search led him to the results of the NEO Personality Inventory. He discovered that of the five major personality traits measured by the test, extroversion is the best predictor of whether someone will emerge as a leader.

“With introverts it is not necessarily that you’re submissive, but you are individualistic and prefer to go your own way and are not comfortable exercising influence over other people,” he says.

He is also convinced that if you are born an introvert, you’re going to stay an introvert.

That’s because in the nature versus nurture debate, Judge is an immovable resident of the nature camp.

This comes from having read hundreds of studies of identical twins separated at birth and raised in different environments. In case after case, the genetically identical siblings turn out to have very similar personalities despite having grown up around different influences.

That doesn’t mean environment plays no role, he cautions.

“People have genetic predispositions to certain types of cancer; it doesn’t mean you can’t do things to change those probabilities.”

But it means that intelligence and personality are mostly hard-wired. Which is why Judge is so keen on testing applicants before hiring.

Unfortunately, only 15 to 20 percent of employers do, he says.

Judge is also dismayed by the optimism most people and organizations have that they can “fix” a personality type to improve job performance. Because of the hard wiring, they usually can’t, he says.

Judge says management would be better off recognizing people’s different strengths and shaping jobs and work rules to fit personalities rather than trying to force square pegs into round holes.

“So much of what we do is based on remediating inefficiencies. ‘You’re awful in this, and this is what you need to do.’ Just as often we’d achieve positive results if we tried to leverage people’s strengths,” he says.

The researcher thinks this would cut down on dismissals and improve effectiveness across an organization. One problem, he says, would be making sure everyone feels they are being treated fairly when they are no longer being treated identically.

Another issue is that this would require a radical change in management philosophy. Managers are taught to standardize everything. They have thick binders full of rules to keep it that way, he says. A company might think it was too much work to customize jobs and rules to suit individual employees.

“I would say, ‘Do you want it easy or do you want it good?’” Judge says. “To get the most out of people you do have to treat them as individuals.”

—Ed Cohen recently joined the editorial staff of Notre Dame Business. He is an experienced journalist and editor who formerly served as associate editor at *Notre Dame Magazine*.

Tim Judge has published 100 refereed articles and book chapters on how individual differences influence success in the workplace. Here’s a sampling of his findings which have often made national news and water-cooler conversation:



Good-looking people tend to make more money, are better educated and more confident, and they tend to work in more prestigious occupations. This applies to every profession, even economists.

Being overweight impacts women more than men. The highest-earning women are the thinnest, weighing less than 120 pounds. The highest-earning men tend to be chunky. Only when men become obese do the extra pounds become an obstacle to career success.

Smarter people are not happier. But they perform better at work, are better learners, have more stable work and personal lives, and are less likely to engage in deviant or inappropriate behaviors.

Taller people make more money. Each inch in height beyond the average amounts to about \$789 more a year in pay. The advantage is more pronounced among men, but it’s significant for women, too.

Beauty helps, but intelligence still exerts a stronger positive influence on income.

son, daughter, cousin...

Next BOSS?

Choosing the next family member to head a family business can leave a house divided and an enterprise in ruins. Here's how some families with Notre Dame ties are trying to do it right.

by *geoffrey precourt*

It was the toughest decision Joanne and Art Velasquez ('60) would ever make. In 40 years of running their own company—starting a tortilla-based Mexican-food business with nine close friends and a total investment of \$80,000; buying out their partners as the enterprise started to grow; selling out to Pillsbury and then buying the company back; overseeing its expansion into a 120,000-square-foot, state-of-the-art manufacturing facility—none of it was as tough as stepping aside and naming a new president to take over for Art.

There were many options: Three of Art and Joanne's six children—Renee, Art II ('87), and Nannette—were actively involved at Azteca Foods Inc., the family focused business best known for its flour and corn tortillas. Both Renee's and Nannette's husbands worked at the company, as did Joanne's brother, Jim, and his wife. Their youngest daughter's husband runs an Azteca affiliate. Also standing in line were grandchildren, another generation which soon could be queuing up for a place atop the company.

The first decision was simple: After four decades, Art would step down from his post as president/CEO. Art and Joanne would continue to serve as chairman and vice chair of the board.

But someone needed to take on the president's job.

And two of their children wanted it.

Renee Togher was vice president/marketing and sales for Azteca Foods' retail division. And Art II held a comparable position in the company's food-service business and also was heading up Baja Foods, a spin-off company which sells frozen foods such as tamales and burritos to retail, school and military clients.

"It was very difficult," Joanne says. "As parents, you look at your children one way. But now we had to make a different kind of choice. We had to make a business decision ..."



Art Velasquez, Renee Togher, Joanne Velasquez and Art II Velasquez



Preparing for the transition of a family business is clearly a daunting enterprise. It's easy to see why only one-third of U.S. family-owned businesses survive through the second generation hand-off; and only 12 percent make it through the transition from second- to third-generation ownership.

Generational succession has been a dicey proposition throughout history and has long made for plotlines in literature brimming with greed and jealousy. When Shakespeare's aged King Lear decides to divide his kingdom among his three daughters, disaster ensues, leaving all four dead.

In an article titled, "Why your son or daughter should not inherit your business," the late author and sales guru Sid Friedman recalled the case of Warner LeRoy, owner of New York City's landmark Russian Tea Room. When LeRoy died in 2001, he left the business to his 22-year-old daughter. One year later it closed its doors forever.

Leonard Shoen, founder of the U-Haul truck and trailer-rental business, had 14 children and made all of them stockholders in the company. By 1986, the patriarch had all but removed himself from ownership. It was at this point that two of his sons mounted a successful takeover. The feuding surrounding the event produced lawsuits, physical altercations between brothers and, in 2003, Chapter 11 bankruptcy for the company, according to a report in *U.S. News & World Report*.

Chris Eckrich ('85), a consultant and family business adjunct professor in the Mendoza College of Business, comes from a happier family-business story. His paternal great-grandfather, an immigrant from Waldsee, Germany, founded a meat-packing business in Fort Wayne, Ind., in 1894. Over the course of the next century, Eckrich meats passed from one generation to the next until Beatrice Foods bought it in 1972. And that's just one part of his family. On his maternal side, a fourth- and fifth-generation family construction company founded in 1890 is the other half of his business DNA.

Eckrich is now a principal in the Chicago-based Family Business Consulting Group, Inc., a 16-year-old consortium of 23 consultants who work with family business owners throughout the world and have consultants based in Great Britain, the Netherlands, Canada, and the United States.

As Eckrich has seen, family businesses come in all sizes and industries and face different challenges. But the one issue they will all face is succession.

"The idea of transition—of letting go—is a topic that the senior generation of a family business often doesn't want to discuss," he says. "They know it's time to go, but it's very difficult to do ... I

used to think of succession as a baton pass from one individual to another, but few businesses transition in this way. For most, it is a gradual process over time."

The right moves

When Charles Dosmann started his own business in 1971, his focus was on feeding his family. Dec-O-Art, his vision for a company that would produce warning and information labels for the local recreational-vehicle and manufactured-housing industries, started in an 800-square-foot converted neighborhood grocery store. It was a right-place-right-time decision. Seventeen years later, when it came time for retirement, he'd not only provided his family sustenance, but he'd also carefully planned a career path for the next generation of Dosmanns.

The process started in 1984 when the second generation began to move into management.

"My father knew he was going to retire," Carl Dosmann remembers, "and he basically informed us that we'd need to form a family council and begin formal business meetings. Over the last 20 years, we've since developed a number of family and spousal employment programs and a code of conduct for family members."

Charles Dosmann's 1984 plan was that oldest son Tony would take on the president's role with sons Carl, Dan and Fred joining him in senior management. In 2006, Dan retired and another brother, Ron, joined the management team. And, as the company's plant footage has increased from 800 to 30,000 square feet, so has the engagement of the Dosmann family in Dec-O-Art.

Over time, they have brought younger members of the family gradually into the company.

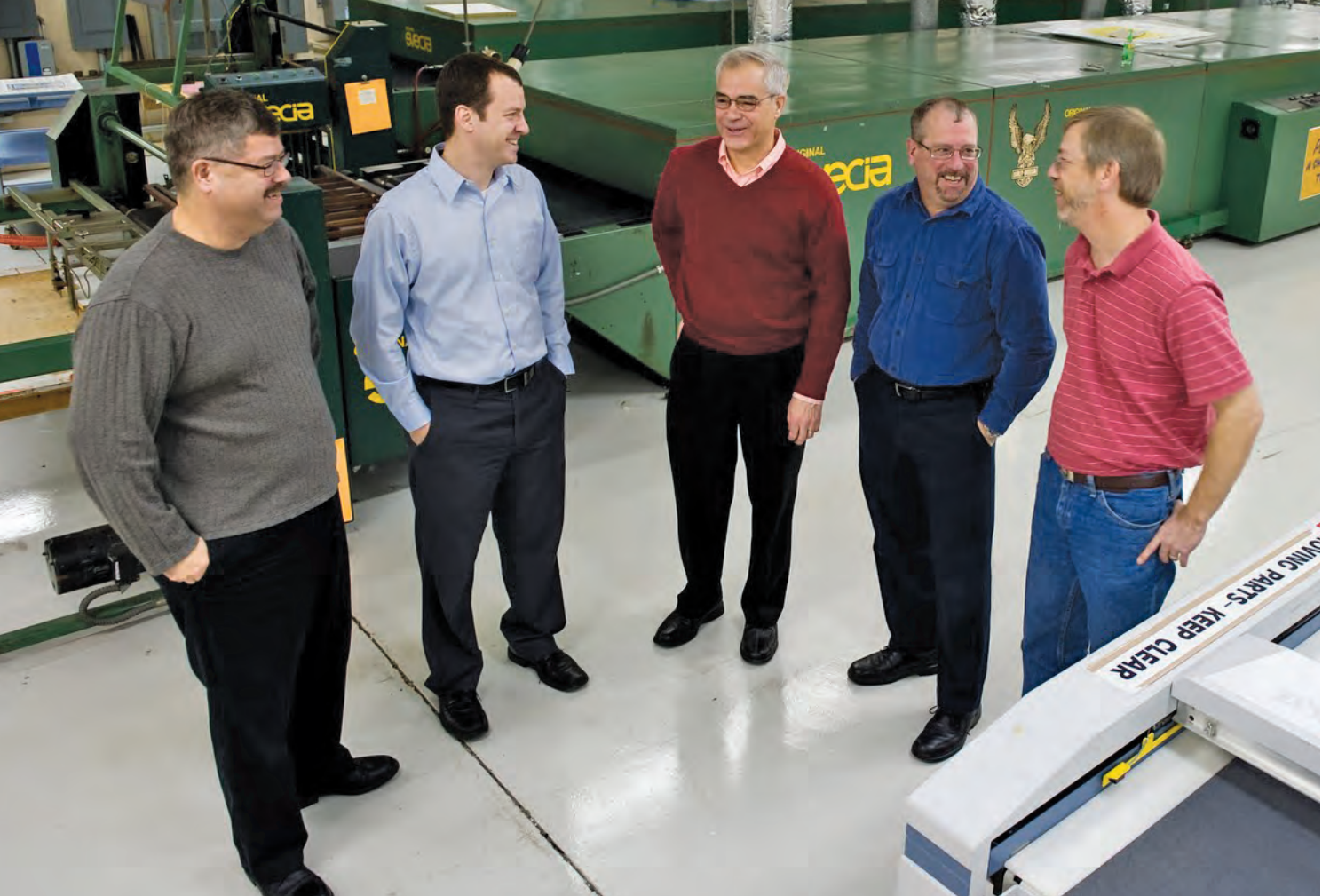
"Way back in high school, we offer the kids summertime employment. They come in and mow the grass, work in production, and get an idea of how well they fit in," Carl Dosmann explains. "And the people in the company get to know them as well."

During college, he says, they work as their studies allow, and the introduction continues. "They go through a meet-and-greet process with other employees, and we get feedback from both sides as to how well they fit in with the company."

For family members who aspire to management positions, however, the Dosmanns do have one rule: Get out.

"We don't want to become cloistered to the extent where our culture is the only culture they experience," says Carl.

Although there are open opportunities on non-management tracks, anyone with eyes on the front office is required to go



Photograph by Matt Cashore (ND '94)

Fred, Nathan, Tony, Carl and Ron Dosmann

elsewhere to develop other skills that they can bring back to the family business. For instance, Nathan, Tony's son, joined the firm in the spring of 2010 in an information-technology post after working for seven years as a database manager at Notre Dame.



Louis J. Andrew Jr. ('63) is chairman and CEO of Guaranty Service Group (GSG), a financial-services company he founded in a single room in the back of his law office in Fond du Lac, Wis., in 1984. Andrew remains the public face and the driving force of an organization that has grown to include more than 80 employees, a couple of subsidiaries, and a number of businesses that have been merged into GSG through acquisition. Over time, the company has expanded offerings to the real estate market beyond abstract and title services, to include mortgage tax and flood hazard offerings.

At present, Sara, 32, the youngest child and president and COO of a GSG subsidiary, is the only member of the next Andrew generation to hold a titled management position.

"It's a chance for her to get her feet wet, to prove herself," Sara's father explains. But it's no guarantee of a promotion into management of the parent company.

"The key is having the best people. We're a meritocracy and this is a way we think we can encourage a family member who

can rank up with people we bring in from the outside," says Andrew. "She has a business of a sufficient size to run. We'll monitor what she's doing and help her. But she'll have to be successful over time to stay in that position." That's a lesson one of her siblings learned as a young man when he decided to leave the company after a less-than-gratifying experience.

The Andrews are serious about balancing family versus non-family input in the company's governance, too. Louis Andrew and his wife, Sue, occupy the family seats on the company board of directors and share corporate oversight with four non-family directors drawn from the business community. The five adult Andrew children serve on a family council, whose by-laws call for regular formal meetings once or twice a year.

Andrew says he opens the books at family council meetings by reviewing financial statements and strategic plans for each of the companies and assessing net worth. "Let them ask whatever they want," he says. "We talk about how much the business supports the family and which charitable contributions will be made. I tell each of them, 'You have a stewardship role, and help them understand what that entails.'"

In addition, the council has been charged with electing the two Andrew siblings who will eventually replace their parents on the board of directors.

The council brings the entire family together for business and recreation. Two to three hours of each formal meeting is

given over to a family forum in which all Andrews, including the spouses of the married children, get an equal voice. And there's a formal mechanism that ensures full participation.

Sue Andrew volunteers in a restorative justice program. To get perpetrators and victims talking freely, they are brought into a circle and a stone is passed until it makes its way around the complete circle. Whoever holds the stone has the floor.

"It's a tradition that we've brought into the Council," says the chairman/CEO. "If you have the stone, no one can interrupt you. It gives all the family members a chance to say whatever they want to say about the company or the family."



Family relationships are inherently tricky, says James Davis, the John F. O'Shaughnessy Professor in Family Business at Notre Dame, but a strong family enterprise can provide a sense of purpose for the family, which often bonds family members together.

"People in an organization can get angry and crack it apart," he says. "In families, you work things out. It's much harder divorcing your parents or your siblings."

Davis' research bears this out. He surveyed family employees



(Seated, l. to r.) Federico Tefel ('82), Jacobo Tefel Sr. ('54), Jacobo Tefel Jr. (Standing, l. to r.) Donald Arana, Carlos Tefel, Federico Barquero (MBA '02), and Juan Carlos Tefel ('04, MBA '09)

and non-family employees working at family enterprises and found that the family employees were 27 percent more committed to the company than their non-family counterparts.

An example of that commitment is Fogel de Centroamerica, S.A. The commercial refrigeration business traces its lineage back to Philadelphia and the turn of the 20th century. Expansion into Nicaragua brought the Tefels, a new family of partners, into the Fogel family business. The enterprise flourished under the management team until it was confiscated by the Sandinistas, Nicaragua's socialist party, in 1981.

The Tefels fled to Guatemala City, where they all but had to restart the company from scratch, beginning production of refrigerators in a tiny warehouse with 12 employees. Twenty-nine years after relocation, the Tefels are sole owners of the business and have added a new plant in Colombia. The company's workforce has grown to more than 1,000. Last year, Fogel broke into the African market with 10,000 of its refrigerators being purchased by a South African brewery to cool beverages for the millions of soccer fans attending the World Cup.

Today, three Tefels head up the business. Jacobo Tefel Sr. is chairman; Jacobo Tefel Jr. is CEO and Federico Tefel (MBA '02) is vice president/operations.

Says their father, "Even though [my sons] don't always agree when it comes to the priorities of certain projects—and even though they both have strong personalities—they share many values such as responsibility, honesty, loyalty, excellence, respect, teamwork and perseverance, all of which guide them in their daily lives."

They also oversee the work of four other family employees: three third-generation grandchildren and the husband of one of Jacobo, Sr.'s daughters—a group responsible for management, sales and customer service for the company.



Photograph by John Nienhuis Photography

Louis and Sara Andrew

Says the family patriarch: “There are seven of us who have lunch together every day. Of course, the subject of business predominates in our conversation, yet we frequently joke around and try to have a good laugh.”



How did the Velasquezes resolve their succession dilemma at Azteca Foods?

Matriarch Joanne Velasquez says she and her husband, Art, together with the board, looked at the qualifications of their two children who wanted to be president, Art II and Renee Togher, and saw they had “two perfect people who would make a perfect president.”

Which didn’t help.

To make the “impossible” choice, the Velasquez brought in a facilitator—a third party who could objectively present the options for the next-generation leadership.

In the end, the decision came down to practical concerns.

“Our retail business is our bread and butter. And Renee had strong experience in retail,” says Joanne. That background won her the presidency in January 2009.

So far the decision has worked out.

Renee’s experience in marketing and sales has helped expand the retail operation. Art II’s entrepreneurial energies are reviving Baja Foods.

It was an opportunity that seems to have been just waiting for him, according to his mother.

“We got involved with Baja Foods,” Joanne Velasquez says, “and didn’t do very well with it. So, we passed it along to Art II. For him, it was an opportunity to have a fantastic hands-on education. And, little by little, he is turning Baja Foods around.”

—Geoffrey Precourt is a freelance writer and editor who lives in western Massachusetts.

obstacles to family-business longevity

DOUBLE STANDARDS

Families sometimes make the understandable mistake of holding family members to different standards than other employees. It’s often best to have a third party make the calls on salaries and promotions, Davis says. At family-owned Guaranty Service Group, Inc., founder and CEO Louis Andrew formed a committee from his outside board of directors to evaluate and set the salary for his own daughter, the president and COO of a Guaranty Title subsidiary. Davis says studies show that such arrangements can improve a family business’s ability to hold on to talent from both outside and inside the family.

FAILURE TO KEEP UP WITH THE TIMES

Some family-driven operations are so internally focused and driven they fail to keep up to date with market conditions, customer needs and technology or to reinvest in the business, says Chris Eckrich (’85), a consultant and adjunct professor at Mendoza.

OFFSPRING’S VARYING INTEREST AND ABILITIES

Eckrich recommends establishing standards early on for who gets to work in the business and who doesn’t. “When guidelines are fuzzy—or worse, when there are no guidelines—everybody has different expectations. And when those expectations inevitably aren’t met, there’s pain and suffering.”

CLOISTER SYNDROME

When family members never work anywhere but in the family business, the business’s culture and knowledge can grow stale. Some family businesses require members who are seeking management positions to go to work for someone else for a time. They can bring back new competencies, says Management Professor James Davis. “If a company’s weak in marketing, the return of a relative after five years at Leo Burnett can provide an upgrade in advertising services ...”

BACKYARD DECISION MAKING

Left to their own devices, Eckrich says, most family businesses will communicate informally—just like families communicate informally. “And inevitably, someone gets left out.” He recommends holding formal meetings to define governance and how the ownership group, board members and management team will work together. And don’t forget to pose the big question at regular intervals, he says. That is, “Why do we want the business to stay in family hands?”

LEAD FROM THE INSIDE

Unless you suffer severe amnesia, you can probably remember your name and share it with a group. But that's not what Monica Sharma has in mind when she invites you to introduce yourself.

By John Nagy

Nor is she primarily interested in your job title or responsibilities. What she most wants to know is who you are at your core. More important, she wants you to know it and to be it — to live and lead from that core. Call it your soul, call it your essence, Sharma calls it the unique “space” that is you.

This explains why it takes nearly an hour for 23 busy senior executives to introduce themselves on a frozen Notre Dame morning in late February: Monica Sharma, a self-described “stand for freedom and justice,” a physician and global health changemaker-turned-leadership thought leader, has to coach them through it. Until you know who you are, she posits, you cannot expect to lead others into the swift and challenging headwinds of our young century.

“We are drawn to each other out of our passion and energy,” not our knowledge or rank, Sharma says, inviting these accomplished entrepreneurs and educators, physicians and directors, financiers and even a Nobel Laureate, to come forward and inspire each other, and to listen.

So Kevin Callahan '05 EMBA, consultant and business blogger, stands at the front of a classroom in the Mendoza College of Business's Giovanini Commons and begins. “My name is Kevin Callahan. My purpose in life is to become a more just person and to help the world around me become more just. My contribution is to never walk away when I see injustice happening

near me. You can count on me for high energy, brutal honesty and being a bulldog when there's a problem to be solved.”

When he finishes, Sharma comments. “Kevin, you're not going to be more just. You are justice. You are a space for justice to manifest. You don't have to apologize for it. You just be yourself.”

Callahan sits down and before long he's met fellow students like Jerry White, who wishes to “align with the universe and understand truly what healing is so I can love and serve others better;” Sandra Eisele, M.D., whose contribution is “to enrich people's lives in the arts, sports and health;” and John Bennett, on whom Callahan may now depend for “personal responsibility, spirituality and protection of the sacred.”

The premise underlying Vital Leadership Advantage, the program that brings Callahan, White, Eisele and Bennett to campus, is that even the most talented executives with more than 20 years experience in the public, private and non-profit sectors aren't prepared to handle the complexities of today's world. Setting the tone of transparent honesty that will permeate every aspect of the six-week pilot program, its principal architect, Leo Burke ('70), admits he's not sure the course will work. “We'll see,” he says with a calm grin.

A former Motorola executive and prior director of Notre Dame's Executive Education, Burke has designed the curriculum drawing on his expertise in organizational development, as well as leadership and systems frameworks that Dr. Monica Sharma has

Cell phones are democratizing information in ways that authoritarian governments can't seem to manage. Burke calls that a "game-changer," but what does it mean if you're trying to save banks in Puerto Rico or manage a Catholic hospital system in the Mid-Atlantic?

developed during a remarkable career in the United Nations overseeing multinational initiatives.

Much will depend on the participants' capacity for openness, vulnerability and confusion. They have arrived with a self-selected business problem in hand. After three days, they will return to their homes and workplaces to put their learning into practice, challenging each other to dive deeper during weekly phone calls. They'll come back to campus six weeks later for a final, two-day session.

Later, many will agree that the first hour of introductions was one of the seminar's most powerful — and valuable — moments.

"Normally when you're doing executive education, whether it be an MBA or seminars, the learning tends to focus on technical tools and even concepts of leadership that are formulaic," says White, who holds an MBA from the University of Michigan. "And for me, what's a breakthrough here and rather bold at Notre Dame is to lead from questions of principles and vision and your best soul self. It's not the type of conversation you have at most business schools."

But it is the type that's needed, Burke and Sharma say. Much has changed since these participants (average age = 50) were in college. The changes themselves are hard to see and happening fast. For most leaders, pressing responsibilities leave little time to grasp salient trends, such as the failure of global financial markets and unsustainable methods of production and consumption, let alone to synthesize what Burke calls the "weak signals" all around them. How often, for instance, do they consider the impact of demographic or technological changes upon their current big project?

India's population is projected to eclipse China's by 2028, and Palestinians will soon outnumber Israelis, Burke says. Does that matter? Cell phones are democratizing information in ways that authoritarian



Jerry White

governments can't seem to manage. Burke calls that a "game-changer," but what does it mean if you're trying to save banks in Puerto Rico or manage a Catholic hospital system in the Mid-Atlantic? And as solar technology develops, have your competitors given more thought than you have to who owns the sun?

Sharma and Burke created Vital Leadership Advantage, or VLA, as a capstone to the College's Integral Leadership Portfolio of executive education programs. After stepping down as an associate dean and director of executive education at Notre Dame in 2008, Burke has continued to work part time on curriculum, focusing on creating a course that could go beyond the flagship Executive Integral Leadership curriculum he had designed for mid-career professionals. When he met Sharma in 2009, he found a promising match to his fascination with those aspects of integral theory that emphasize the interdependencies of people and organizations, trends and events, across whole economies and cultures.

Sharma was in the process of retiring from a career in the United Nations, which she'd begun by figuring out how to raise immunization rates from 30 percent to 80 percent of all children in her home country, India. Five years ago, she was overseeing global HIV/AIDS initiatives for the U.N.'s Development Program. More recently, she had traveled the planet training hundreds of world leaders — especially those in developing countries — to transcend closed-loop problem solving by changing the very systems that caused those problems in the first place.

One fruit of this work with established leadership

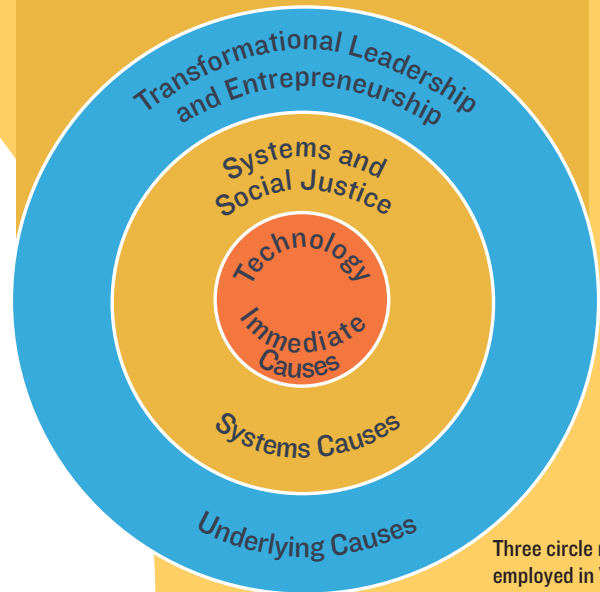
tools, frames, processes and theories was the generation of her own synthesis. She developed a model of leadership that views problems—be they business challenges or matters of injustice—as having three layers that “transformational” leaders can address simultaneously by “sourcing” who they are as individuals to tackle systemic problems and get things done.

Imagine three concentric circles and take the example of hunger in a developing country. On one level, the inner circle, this may appear simply to be a problem with existing food programs that calls for a technological solution like the introduction of new agricultural methods. But when crop yields improve and hunger persists, invisible systems emerge in the next circle that doom merely technological solutions to failure. Think unemployment, suppressed wages, trade imbalances, social discrimination or the mismanagement of private and public debt.

But what creates those systems? We do, Burke and Sharma say. Sharma’s outside circle is you and me and our assumptions about the way life is organized. Let’s continue with the hunger example. When we assume, for instance, that convenience and low food prices are consumer rights; that profit is the only corporate bottom line that matters; or that creditor nations have no responsibilities toward debtor nations, our values emerge in global monetary and financial systems that shape national and local agricultural and economic policies, which in turn have real consequences for the poor and powerless.

“You don’t have to be a genius to figure out that if you have four billion out of seven billion people who are cut out of the equation, that’s not going to be a very stable situation,” Burke says. “So, it’s just not going to

Ways of Sourcing Actions and Results



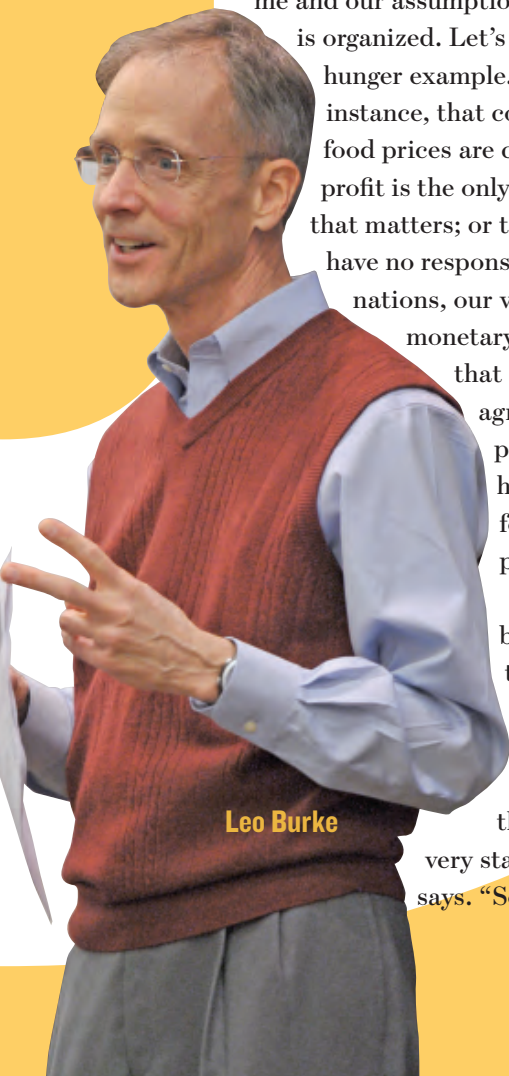
Three circle model employed in VLA.

work. And the other thing is, it’s wrong.”

The status quo isn’t working for people higher up society’s ladder either, he adds. The current recession and uncertainty about the future aside, Burke notes his Notre Dame colleague Matt Bloom’s finding that 50 percent of Americans hate their jobs, suggesting that at least half of us need to think through the implications of our choices upon personal happiness and the welfare of our communities — in short, upon our development as human beings.

Like everyday people, no business or organization is exempt from these economic and cultural forces. What makes Sharma’s leadership model unique is that third, outer circle. When we stand in that space, will we acknowledge a “deeper wisdom or inherent unity in which all life participates,” Burke asks. Or will we continue to assume with the 17th century political philosopher Thomas Hobbes that we’re all naturally separate and competitive, at war with each other, everyone looking to game the system?

At Notre Dame, no one need feel uncomfortable when suggesting that real leadership transcends the material dimension into the spiritual, though Sharma is cautious about explicitly sectarian interpretations of her model. The point is that business leaders need to



Leo Burke

produce results and address the often invisible systems that affect their product or service in a way that connects with their deepest core and life purpose — and helps others do the same.

Participant Jerry White’s day-one introduction left out that he survived stepping on a landmine when he was 24, lost part of his right leg and was so successful as an advocate for the adoption of the international Mine Ban Treaty that he and his confreres won a collective Nobel Peace Prize in 1997. These days, as he prepares to step down as the CEO of Survivor Corps, an international network of landmine-survivor groups, he is lobbying for the passage of legislation before the Knesset, Israel’s Parliament, that would authorize and appropriate funds for the removal of the Holy Land’s estimated 80 square miles of minefields.

Sandra Eisele, an orthopedic surgeon, had a Jerry Maguire moment as partner, past president and CEO of an established surgical and sports medicine practice with eight locations. Her departure to start her own firm and practice a more humanistic form of patient-centered care and personnel management is so recent that her staff of four hasn’t even set up her computer yet.

Not every city police department’s assistant chief of operations will say that his purpose in life is to be in communion with God, but John Bennett does. Bennett’s public safety deployment plan for the 2009 Super Bowl got the job done for 12 percent of the cost of recent predecessors and earned Tampa “best practices” recognition from the National Football League. Now he must discern, once again, how to do more with less. Recent statistics show a 56 percent drop in all crime in Tampa since 2002, and Bennett’s job is to plan deployments that maintain the pace of progress in the

face of citywide budget cuts.

Such details emerge during the intersession weeks after the first residential meeting, when participants confer by phone and help each other consciously apply Sharma’s three-tiered leadership model to essential practices such as listening, creating and speaking as they manage their projects. Sharma and Burke conduct teleconferences during weeks two and four to clarify concepts and find out where their pupils are stretching themselves to inspire their partners, colleagues and staff and enroll them into a shared commitment to action.

Several acknowledge confusion, an uncomfortable state for the take-charge types who signed up for this. “I don’t expect them to get it. I expect them to struggle,” Sharma says. “In fact, I would go on and say if you’re not rattled enough and confused, it means you just haven’t settled down deep enough.” It’s part of the learning process, she explains.

Haris Ahmed is a member of White’s intersession triad who took part in the Executive Integral Leadership program while earning his Executive MBA. He admits that life got in the way of incorporating deeply the insights he received from the other course but expects the facilitated weekly conversations with other participants to provide the accountability he’ll need to succeed as he manages the expansion of his year-old international consulting practice. When he jets off to meet clients in Europe and the Middle East in the coming weeks, he’ll be thinking in new ways about that most basic of small business problems—how to take on new clients, colleagues and support staff in an “economically feasible manner.”

Returning to Notre Dame in April, the participants share their stories. Mike Caci, an energy executive, relates his

Integral Leadership Portfolio Offerings

	VITAL LEADERSHIP ADVANTAGE	EXECUTIVE INTEGRAL LEADERSHIP	UNLEASH YOUR LEADERSHIP POTENTIAL
CANDIDATES	Leaders of leaders	Successful, accomplished leaders/individuals	Emerging leaders
Business Experience Guidelines	20+ years	15+ years	5+ years
BENEFITS	New ways to lead change New models for complexity	New tools Changed perspective	Broadened perspective Accelerated transition to leadership

effort to complete a downsizing initiative in his company with compassion, grace and power, taking time to listen to his employees' concerns about being unemployed. When he shared his outer circle with his management colleagues, they looked at him strangely. But his VLA peers hear only courage and clarity.

White speaks of the "joy" of meditating on Sharma's three tiers while trying to practice them during an especially busy lobbying session in the Holy Land before Passover and Easter. He read a passage in the Book of Exodus about how the Spirit came upon Moses, who then grew in knowledge, understanding and wisdom. "I was like, the three circles. Bang! Right there," he explains to the group. He says he shared the insight whenever he could and found momentum for the proposed bill building among key players. "I came back exhausted but also proud that the best work of my life may have happened in the past month because I was practicing and open to these lessons."



Mike Caci

In addition to building her practice and encouraging her staff, physician Eisele describes conversations with local hospital administrators about a potential leadership program for young physicians. Bennett shares his thoughts on moving beyond crime metrics, which don't matter to individual victims. "How do we reduce your fear? How do we give you peace?" he asks. Looking outside the culture of law enforcement for inspiration, he says, he sent his staff a copy of the story of Imaculée Ilibagiza, a survivor of the 1994 Rwandan genocide, and couldn't believe how many wanted to invite her to speak to the Tampa force.

The learning isn't over. During the final 24 hours, Burke builds on first-session lessons about system interdependencies with a worksheet that helps the group



Sandra Eisele

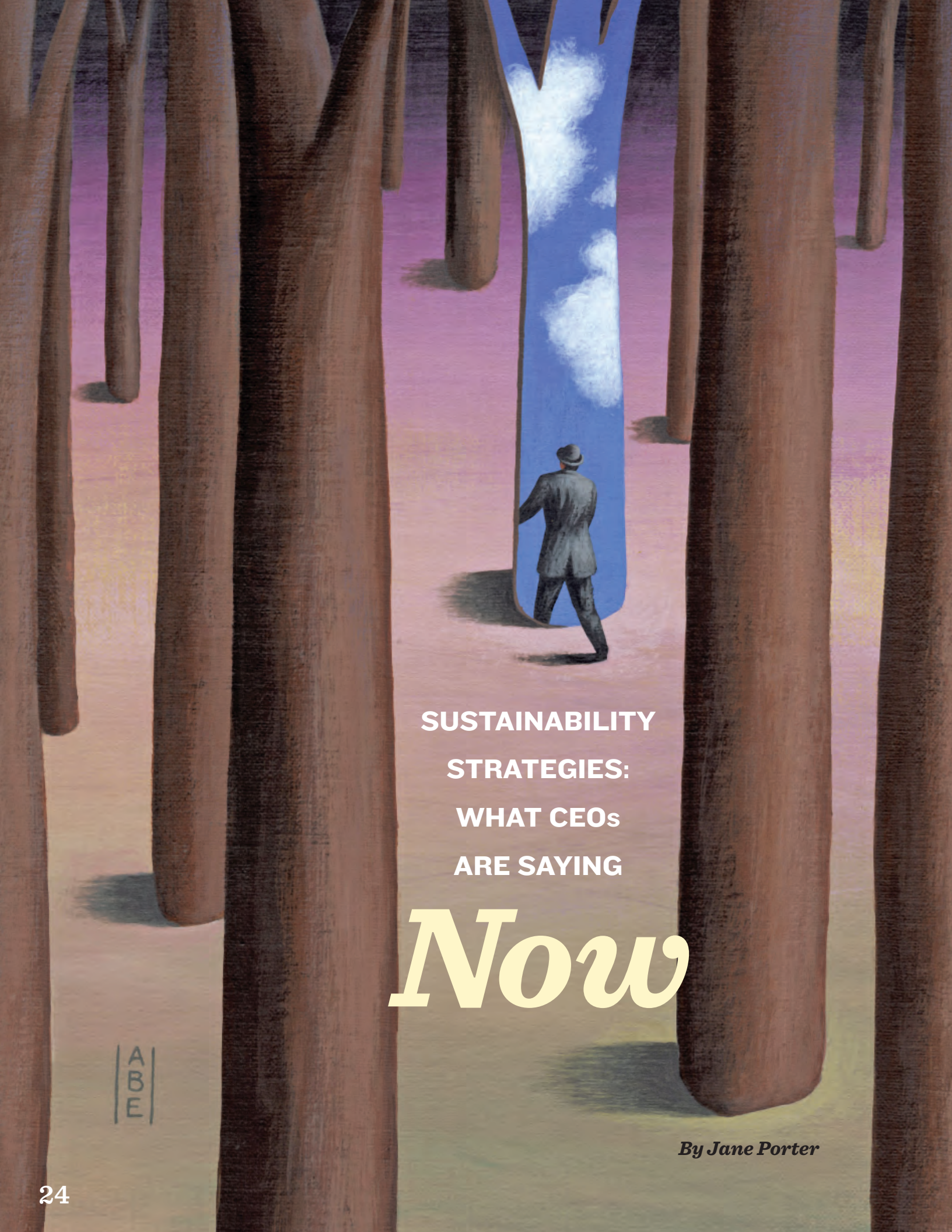
think through the impact that news events could have on the most important variables they need to track in their business. Sharma explains how in the context of team commitment to a project, mere problems can become breakdowns that can lead to breakthroughs which leave both team and project stronger than before. Burke develops the concept of conscious full-spectrum risk management — the notion that leading from one's essence is the best defense against reputational risks that could destroy even billions of dollars of accumulated value in a matter of hours.

When asked if Notre Dame should run the VLA program again, the group's show of hands is unanimous.

Not two weeks later, a deepwater drilling rig explodes in the Gulf of Mexico, killing eleven workers, slicking the seas with oil, destroying the reputation of an iconic, 100-year-old firm, severely testing leadership in government and industry and sending new shockwaves of uncertainty through a disaster-weary public.

What does it all mean? Next year's VLA convenes March 1.

—John Nagy is an associate editor of *Notre Dame Magazine*.



**SUSTAINABILITY
STRATEGIES:
WHAT CEOs
ARE SAYING**

Now

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By Jane Porter

Three years ago, PricewaterhouseCoopers started hearing from more and more clients seeking help on how to become more sustainable. But when executives at PwC looked at their own environmental impact, they were at a loss. “We had no idea what our footprint was,” says Shannon Schuyler, corporate responsibility leader for PwC. “As you get to those questions, it makes you reflect on what do we do?”

It’s the kind of question companies are seeing thrown at them from consumers, regulators, clients, investors, community leaders and the like, demanding they address sustainability in a more systemic way. On top of these pressures comes the strain of a tough economy. And companies are responding. According to a study of 766 CEOs conducted by Accenture and released at the United Nations Global Compact Leaders Summit 2010, faced with pressures from all sides, CEOs are changing the way they think and act when it comes to sustainability.

“Actions now emanate from a deeper conviction than a ‘wait and watch and see what others do,’” says Carolyn Woo, dean of the Mendoza College of Business. In June 2010, she was a panelist at the summit in New York where executives met to discuss the study findings and set goals moving forward. Of those surveyed, 81 percent of CEOs said sustainability is now embedded in their company’s strategy, up from 50 percent in a similar 2007 study conducted by McKinsey & Company. What’s more, 93 percent of surveyed CEOs said sustainability is important to their company’s future success.

It’s not just an inclination to do good that’s driving companies, or a need for new products, says Peter Lacy, the study lead for Accenture. “They are starting to see signs of this contributing to revenue growth and helping to manage cost reduction,” he says. “It is more clearly part of core business strategy in the way of thinking about operations.”

THE CAUSES FOR CHANGE:

At PwC, the growing demand from clients led the company to calculate its own carbon footprint three years ago. What the leaders found—an emission rate of

more than 300,000 metric tons—was a surprise, a figure that has since been reduced by 20 percent. “If we want to talk to clients about this, we have to understand it inside and out in how we operate,” says Schuyler.

Of those surveyed in 2010, 80 percent of CEOs said the economic downturn has increased the importance of sustainability issues. For many, that is largely driven by a need to rebuild consumer trust marred by the economic crisis. “Now CEOs are saying we want to invest in [sustainability] because it has something to add to our reputation,” says Schuyler.

But other factors are also at work. As the media and regulators look more critically at how companies are performing, CEOs must think about how to step up to such close scrutiny. “There have never before been so many public rating systems that look at companies from a corporate-reputation perspective,” says Dan Bena, director of sustainable development for PepsiCo.

In response, PepsiCo has created a strategy around corporate social responsibility ranking surveys in the past year and a half. “As a company, you need to spend significant resources reacting to that,” he says.

CHALLENGES TO CHANGE:

Sustainability is often synonymous with climate change, but executives across industries are recognizing that their role in sustainability stretches further than their carbon footprint. This year’s study found that 72 percent of CEOs ranked education as the most critical global development issue for their company’s success, followed by climate change and poverty as the top three issues.

What’s more, there’s a shift from thinking about how to address issues immediately to creating long-term plans around sustainability. In 2009, PepsiCo ran a study to pinpoint key issues that would impact the company 30 years down the line to help develop a longer-term sustainability strategy. “It’s not something you are going to turn around in a quarter, which is, unfortunately, what Wall Street expects from us,” says Bena. “Everyone needs to shift their mentality to a long-term view.”

While executives recognize that running a more sustainable business ought to be part of their corporate

strategy, making that a reality is still out of the reach of many companies. Putting regulations in place all the way through a company's supply chain continues to be a particularly big challenge, especially as companies grow increasingly decentralized and spread out across the world. While 88 percent of CEOs surveyed recognize the importance of integrating sustainability through all channels of their supply chain, there's still a substantial gap between theory and practice with only 54 percent actually taking steps in that direction.

At PwC, a vendor survey and code of conduct on issues like child labor, risk protocols and diversity were put in place two years ago to try to address this challenge. But with countless vendors across the world, regulating an entire company's suppliers is still a huge logistical nightmare that many companies aren't yet ready to handle. "That means you have to fundamentally know each one of the businesses that the functional areas are using," says Schuyler. "That's really hard."

STAKING STAKEHOLDERS:

It's not always the operational challenges that hold companies back, but changing the way executives themselves think about these issues. While CEOs recognize consumers as the biggest influence in decision making, Accenture's Lacy says too few CEOs acknowledge the important role that other stakeholders play.

Only 22 percent of CEOs surveyed believe investors would be key stakeholders in developing sustainability efforts, a figure Lacy says needs to be higher given the important role investors play in allocating resources. "There's a real missing conversation [that needs] to go on," he says. "[Companies] need to be much more on their game about how to present sustainability to investors."

METRICS TO SHOW IMPACT:

Letting investors know the impact sustainability projects have is a challenge because often there are no metrics in place to show non-financial impact. While some efforts are more easily measured, like the amount of water conserved in water-stressed areas or a company's reduction in energy use year-over-year, others can be

THEN & NOW 2007 2010

In 2007, executives met at the United Nations world headquarters in Geneva to talk about their role in corporate citizenship. There they discussed findings from a study conducted by McKinsey & Company that examined CEO perspectives on sustainability. What resulted was the 21-point Geneva Declaration, a document that set out to define the role of business in society.

This summer executives regrouped in New York to discuss the findings of the 2010 Accenture CEO study. The numbers alone showed a shift in their thinking about the issue. Here is a look at the then and now on corporate sustainability:

CEOs who say...

Sustainability is now embedded in their company's strategy: **50%**

81%

Consumers are the most important stakeholders influencing how they will manage societal expectations in the next five years: **50%**

58%

Engaging with external groups is a key barrier to embedding sustainability companywide: **17%**

30%

Companies should embed sustainability efforts into their global supply chain: **59%**

88%

Companies should include sustainability objectives in employee performance assessment: **49%**

76%

more complex, such as the impact of farmer education in developing economies or the measure of livelihood improvement, says Bena. “Analysts and shareholders are expecting increasing rigor in how we report those things,” he says. “These are the kinds of metrics that matter, but they are also the kinds of metrics that are not traditionally financial so they are hard to develop.”

It’s a challenge that presents a huge opportunity for banks, says Dean Woo, who are in need of rebuilding consumer trust after the global financial crisis. But beyond rebuilding trust, banks will play a key role in helping companies with responsible investing, says researcher Lacy. Knowing when to say no to the wrong investments and how to identify the right ones is a skill many banks will need to build, he says. “We need enormous amounts of capital to flow into the right places to drive sustainability issues,” he adds. “That requires you to think through innovative financial products and services.”

It also means capital markets need to become more adept at helping companies measure sustainability, says Woo. For example, at Goldman Sachs the SUSTAIN index launched in 2007, was designed to help quantify the strategic impact of sustainability commitments on a company’s assets. “This is a good challenge for the financial community,” Woo says.

CEOs have a growing interest in having these kinds of conversations with analysts. This year, 72 percent of them expressed interest in discussing environmental, social and corporate governance issues with analysts, up from 51 percent in 2007.

GETTING EMPLOYEES ON BOARD:

While executives are beginning to acknowledge the importance of integrating sustainable practices into the core of their business strategy, getting that message across to employees is easier said than done. “What does that mean to 32,000 people sitting in 82 offices around the country?” Schuyler says, of employee outreach at PwC. In the past three years, the company has developed what it calls “green teams” at 60 locations around the country, giving employees a way to get involved with setting sustainability initiatives in their company branch.

“The goal is to look at every area of the organization ... and embed sustainability into each of their functional metrics,” says Schuyler. “Therefore it becomes embedded in their culture.”

—Jane Porter is a New York-based writer who covered higher education, retailing and business schools for *BusinessWeek* as well as careers and management education for *The Wall Street Journal*.

SUSTAINABILITY AT MENDOZA

Sarv Devaraj

While companies are talking more about sustainability in their annual reports, their carbon emission levels aren’t matching their rhetoric—at least not yet, according to new research by Management Professor Sarv Devaraj. Check online for more information about his study relating sustainability keywords in 10K filings to performance.

Sandra Vera-Muñoz

A recent study by Accountancy Professor Sandra Vera-Muñoz finds that higher carbon emission levels are associated with lower firm values. The research also speaks to the increasing need for standards in financial reporting of carbon emissions, and a greater role for accountants. Find out more about the study online.

Ante Glavas

Going green might not only have an environmental impact, but a human resource one as well. Management Professor Ante Glavas has found companies that integrate sustainability into operations report higher levels of employee job satisfaction and retention. Learn about Glavas’ study of the dairy industry online.

web exclusives

See videos and read expanded articles at: bizmagazine.nd.edu



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— Dean Carolyn Woo
Mendoza College of Business

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For more information about the O’Hara Society, contact Nicholas Farmer at 574-631-5198 or visit supporting.nd.edu/ohara.

What You Said: READERSHIP SURVEYS

In 2010, we conducted two readership surveys—and gathered guidance from more than 500 readers on how to improve *Notre Dame Business*. One survey was sent by e-mail, the other was an insert in the spring/summer issue of the magazine.

Results were gratifying: 97 percent of respondents rated Notre Dame Business as excellent or good for conveying a sense of College mission and character; 95 percent rated it excellent or good for overall appearance, quality of writing and readability.

Respondents indicated very eclectic tastes, with 79 percent reporting that they were very interested or somewhat interested in each of eight different topic categories. Of these, respondents selected feature articles and college news as the subjects of greatest interest.

What about future topics? More readers asked for articles on ethical business behavior and corporate ethics than any other topic. Entrepreneurship and alumni success stories were also mentioned.

MAGAZINE DELIVERY: PRINT OR ELECTRONIC?

Interestingly, respondents to the two surveys differed on whether they preferred to receive a print or an electronic version of the magazine. Only 6 percent of respondents who responded to the insert in the printed magazine indicated that they favored electronic delivery, while 45 percent of those responding to the email survey chose this preference. Further complicating the findings, 33 percent of respondents to the survey in the print magazine said they would like to receive the magazine both ways.

The survey gives us much to think about. Thank you.

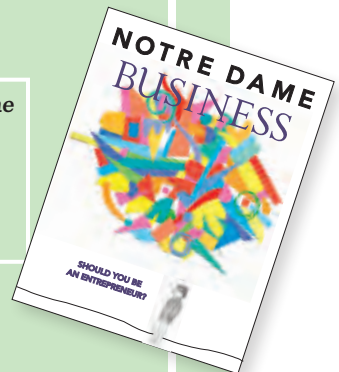
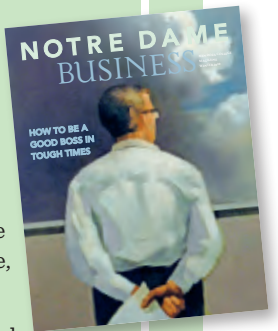
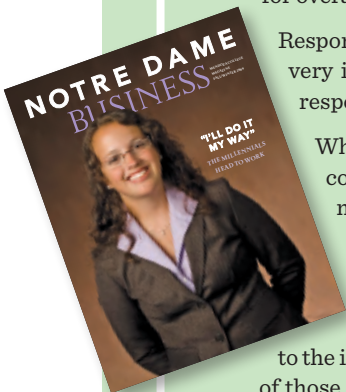
One change we can implement easily is to offer readers the option of receiving *Notre Dame Business* electronically—instead of as a print publication—if you prefer it.

Simply complete the form at bizmagazine.nd.edu/online_option. Your e-magazine subscription will begin with the Summer '11 issue. Be sure to include your name and address as it appears on the printed magazine so we can update our files.

A second change we have made is to print this issue on a new paper stock, which is made of 50 percent recycled content. And the paper is no more expensive than what we used before.

Look for other improvements to come.

—Mary Hamann, *Editor*



CLASS NOTES

'10

Clint Buck (EMBA)

CPA, has joined the Provost's Office, Abilene Christian University, as director of academic financial operations. Buck will work closely with academic administrators, deans and chairs in developing and analyzing academic budgets to enhance academic effectiveness.



Tim Rentenbach and Derrick Harmon, both MBA '09, in Bosnia.

College of Business course *Business on the Frontlines*. Harmon is employed in the finance department of The Walt Disney Co., Orlando, Fla.

Kurt Knoblauch (MSA)

received the Illinois Certified Public Accountants Society (ICPAS) Excel Gold Medal for being among the top exam scorers on the 2010 CPA exam.

'08

Brian Chester

is an account associate at Marketing Architects in Minneapolis.

Michelle Brintnall Chester

is employed as a trend and pop culture analyst at Periscope, an advertising agency in Minneapolis.

'09

Derrick Harmon (MBA)

The United Nations Global Impact initiative recently published two case studies written by Derrick Harmon. The case studies focused on Harmon's experiences and research in Sarajevo, Bosnia-Herzegovina, as part of the Mendoza

'07

Mark C. Hutchinson (EMBA),

CFA, joined Credit Suisse in Chicago as a director in its Private Bank.

Chinedum Kingsley Ndukwe
Cincinnati Bengals' safety Chinedum Ndukwe has founded the Ndukwe Foundation, to stress the importance of physical and mental wellness in children. The mission of the foundation is to create and support change in nutrition and physical activity within local schools. Drafted by the Bengals in 2007, Ndukwe has spent two off seasons attending the Harvard Business School and the Wharton School as part of the NFL Business Management and Entrepreneurial Program.

'06

Diana Fredericks (EMBA)

has been named vice president of business development and franchise sales for RE/MAX, headquartered in Denver, Colo. Fredericks will be responsible for the growth of franchise sales throughout the organization, directly overseeing sales in the United States.



Timothy Metts (MBA)

has been named vice president and division director of Pace Global's Risk Management Business Unit in Fairfax, Va. Metts joined Pace in 2006.



'05

Dan Aselson (MBA)

is the president and CEO of the YMCA of Michiana.

Kevin R. Callahan (EMBA)

and classmate Gary S. Stetz, who co-authored *Project Management Accounting*, will have a second edition published by John Wiley and Sons in Spring 2011.

'03

Andrew Schoppe (MBA)

and his wife Paula have recently settled in Atlanta after traveling throughout the southeast United States. Following several years with GE, Schoppe accepted an opportunity to join ScottMadden Consulting as a senior consultant. He has been working with a Fortune 150 energy company on a variety of projects. In his spare time, Schoppe is juggling continued Triathlon training, hoping for a Full Ironman in 2011, honing his Spanish and Portuguese, and studying to take both the CFP and the CFA Level I exams.



Beth Doyle '04

Beth Doyle was recently recognized by the leading industry trade publication, *Mediaweek*, as the Rising Star for 2010. This award is a part of its prestigious "Media All-Stars" listing, which honors the year's best and brightest media stars. It acknowledges her impressive work as associate director of Innovations at VivaKi and the potential she has to drive the advertising and media industries forward in her quest to find optimal ad units across emerging media. Doyle currently divides her time between VivaKi and SMG's Advanced Media Center of Excellence. She handles responsibilities of new media advertising initiatives in the United States and globally. Previously, she spent her time educating and developing agency standards for media agency Starcom. In 2008, she contributed to Starcom's receipt of the 2008 Mediaweek Media Plan of the Year in the "Best Use of Non-Traditional" category for its work on LEGO TV. Doyle, regularly returns to the University of Notre Dame to teach students about emerging media and technology.



'02

Justin C. Heberle

writes a national fantasy IDP (Individual Defense Players) football blog at www.numbersandguts.com. His research and analysis has been recognized by ESPN, *USA Today* and other online fantasy football sites. In his day job, Heberle is a computer research consultant with WCI Consulting and lives in the Dallas area.

Benjamin R. Thomas

recently was elected to the Charleston Chapter of American Business Clubs (AMBUCS). Thomas is an associate with Bowles Rice McDavid Graff & Love in Charleston. The mission of the Charleston chapter, which is part of the national organization, is to create independence and mobility for people with disabilities.

investments and wealth management at Huntington Investment Co., Birmingham, Mich.

Jeff O'Connor (MBA)

was recently promoted to commercial relationship manager by SunTrust Banks, following completion of the SunTrust Management Associate Training. SunTrust Banks, provides deposit, credit, trust and investment services to a broad range of retail, business and institutional clients.

'98

Ken Klukowski

will serve as the director of the Family Research Council's Center for Religious Liberty. Klukowski, who is an attorney and journalist, is a contributor to several media outlets.

Christopher O'Connor

is a corporate, securities and securities litigation attorney at the St. Louis law firm of Moline & Mehan, LLC, where his peers recently named him a 2010 *Missouri Super Lawyers' Magazine* Rising Star.

'99

Deborah Hammond (MNA)

has joined the Golisano Children's Museum of Naples (C'mon) as development director with responsibility for planning, developing and maintaining private and public sector fundraising programs. Prior to joining the C'mon team, Hammond served as the director of major gifts and planning giving for The Children's Museum of Indianapolis.

Scott P. Frush (MBA)

was recently named to *DBusiness* magazine's "30 in their 30s," a listing of regional business leaders in their 30s who are making a mark in Michigan and globally. Frush, who has written several books on various investment strategies as well as trivia books, is assistant vice president for

'96

William (Bill) Belski (MBA)

was promoted to associate professor of Accounting and Management Information System at the Brock School of Business at Samford University in Birmingham, Ala. Belski also was recently awarded the Excellence in Teaching Award from the university and completed various research and teaching assignments with Universitas Pelita Harapan in Jakarta, Indonesia, Kyiv Mohyla Business School in the Ukraine, and the Samford University International Program in London.



Dyan Rohol

was recently admitted as a partner with Deloitte LLP, New York City.

'95**Joe Curran**

recently joined Macadam Forbes' Portland office as a broker, specializing in office and industrial properties. Previously, Curran worked as a project manager for Specht Development and a workout specialist at Capmark Financial.

Helen Murray (EMBA)

has been named interim dean of the Keith Busse School of Business and Entrepreneurial Leadership at the University of Saint Francis, Fort Wayne, Ind. Murray previously served as president and chief operating officer of Indiana Michigan Power. She is a board member of Northeast Indiana Corporate Council, Greater Fort Wayne Chamber of Commerce, Indiana Energy Association and the Public Safety Foundation of Northeast Indiana.

'94**Michael Seamon (MBA)**

has been promoted to associate vice president for the University of Notre Dame's new Office of Campus Safety. In this role, Seamon will oversee the University's police, fire and risk management, and safety departments. He previously served as director of the University's game-day operations. In his new position, he also will oversee emergency preparedness processes and continue to lead game-day initiatives.

'93**Hugh M. McGowan**

was recently named president of McGowan Insurance Group Inc. McGowan is taking over the reins of the family business that was founded in 1930.

'92**Matthew M. Knott**

has been promoted to chief strategy officer of Feeding America, the nation's leading domestic hunger-relief charity. Its mission is to feed America's hungry through a nationwide network of member food banks and engage our country in the fight to end hunger.

'91**Brian P. Schaeffgen**

has joined the board of directors of ForKids, a nonprofit group committed to breaking the cycle of homelessness and poverty for families and children. Schaeffgen is currently CFO of Virginia-based Harbor Group International.

**'90****Bill Sheedy (MBA)**

is group executive for The Americas for Visa, with responsibility for all aspect of Visa's business in North and South America.

'89**Michael K. Passilla**

was promoted to president and CEO with Elavon. Passilla is responsible for continuing to extend Elavon's global reach through its partnership model, and remain committed to solid organic growth in existing markets.

Michael Toups (MBA)

was appointed CFO at Longwei Petroleum Investment Holding, Ltd. Toups has overall leadership responsibility for the company's finance and control functions. Longwei Petroleum is an energy company that engages in oil and gas operations through its subsidiaries in the People's Republic of China.

'87**Maureen McDonnell**

has been hired as vice president of the Office of Health Reform Integration for Amerigroup, Virginia Beach, Va. She leads a newly formed team dedicated to evaluating health-care reform change and working both externally and internally to ensure Amerigroup is positioned to integrate the new health-care guidelines.

'86**John Anthony**

is president and CEO of Anthony Travel, recently accepted an award on behalf of the company after being voted North America's Leading Travel Agency for the second consecutive year. Anthony Travel, a nationally recognized leader in university and sports travel management, has more than 25 offices nationwide, providing professional expertise and travel service for many leading universities across the United States.



John Anthony

'85**Joseph Macdonell (MBA)**

has been named vice president of business operations for the United States Hockey League. Macdonell has more than 25 years experience in the sports industry in all aspects of team management functions including ticket sales, operations and financial management.

Hari N. Nair (MBA)

was named to the newly created position of chief operating officer at Tenneco Inc. Nair is responsible for its operations globally. Tenneco designs, manufactures and distributes emission and ride-control products and systems for the automotive original equipment market and the aftermarket.

Jeffrey Nemeth (MBA)

was recently promoted to president and CEO of Ford Southern Africa. His wife, Nancy, and three boys, Blake, Coleman and Declan, moved to South Africa just in time for the soccer World Cup. The Nemeths are looking forward to the adventure of living on the African continent and meeting ND alumni in Johannesburg.

Susan Watts (MBA)

has been appointed head of Caggemini's Americas Outsourcing Services business unit. She brings to the position more than 25 years of leadership experience in the IT sector, with the majority of her time spent in global roles. Caggemini provides consulting, technology and outsourcing services.

'84**Paul J. Stich (MBA)**

has joined Dasient as CEO. Stich plans to work closely with co-founders Dr. Neil Daswani, Ameet Ranadive and Shariq Rizvi to significantly grow Dasient's customer base, extend the company's reach into new markets, and accelerate research and product development.

'83**Donald M. Casey Jr. (MBA)**

has been appointed to the board of directors of Bidel, a specialty biopharmaceutical company focused on the development and commercialization of innovative treatments for diabetes.

'82

Martin Coveney

has joined the Energy Systems Network, an economic initiative of the Central Indiana Corporate Partnership focused on the development of the energy technology cleantech sector, as its vice president.

'81

James (Jim) Raaf

has joined WTAS, an independent tax firm in the United States, as managing director of the Chicago office. Raaf's primary focus is on the identification of high value-add strategies for his clients including the analysis of multiple alternatives.

'79

Charles Kane

has joined the board of directors of Demandware, a leader in on-demand e-commerce. Most recently, Kane held several executive positions in One Laptop per Child, a nonprofit organization founded at MIT that provides computing and Internet access for students in the developing world.

George P. Scanlon

recently was appointed chief operating officer of Fidelity National Financial. Scanlon is responsible for the finance, treasury, investor relations and corporate functions, as well as FNF's specialty insurance business.

'78

Vincent W. Renz

has been promoted to CEO of NewCardio and elected to the company's board of directors as part of a planned succession. NewCardio is a cardiac diagnostic and services company developing and marketing proprietary software platform technologies to provide higher accuracy.

'77

Daniel J. Bishop

and his wife, Virginia McGowan ('77) received The Family Exemplar Award, presented by the University of Notre Dame Alumni Association in April 2010. The Bishops are active in their parish, have led Boy and Girl Scout activities and coached youth basketball and baseball teams.

Charles Brewer

has been named director, North American Sales, for Tecumseh Products. He is responsible for enhancing and driving the performance of the North American sales team.

Stephen Kern '75

Stephen Kern was recently ordained into the diaconate by Bishop Paul Bootkoski, Diocese of Metuchen, N.J. and serves as a deacon at his home parish of St. Magdalen de Pazzi Church in Flemington, N.J. In 1978, Kern married Rosemary Barnes (SMC '76) at Sacred Heart Basilica on campus. He is in his 29th year as an attorney for the Port Authority of New York and New Jersey, a bi-state agency that operates airports, bridges and tunnels, port facilities and the World Trade Center site in the New York/New Jersey area. He specializes in federal and state regulatory and compliance law. Kern is a survivor of 9/11, having been in his office on the 62nd floor of the North Tower of the World Trade Center when the planes hit the towers. The oldest of the three Kern children, Stephanie, graduated from Notre Dame in 2007.



Robert (Bob) Kastenzholz

has joined Wells Fargo as senior vice president overseeing a regional commercial banking office in Chicago serving companies with revenues of at least \$20 million.

'75

James Whittington

is a partner with Nove International LLC, a Chicago-based venture that buys and develops property in South America. Prior to joining Nove, Whittington was managing director of finance and investments with U.S. Equities.

'74

Edward J. O'Connell III

has joined Arnstein & Lehr as its chief operating officer. Arnstein & Lehr is one of the country's oldest law firms. Founded in 1893, it is a full-service firm with attorneys practicing in five main practices areas—Business, Litigation, Local Government, Tax and Estate Planning Services and Real Estate.

'70

Joseph B. Doyle

has been named commissioner of the Georgia State Personnel Administration (SPA) by Governor Sonny Perdue. Doyle previously served as the director of the Governor's Office of Consumer Affairs. In that role, he led the creation of the Governor's Office of Customer Service, which has received national attention for helping agencies institute a customer-first attitude among employees. To ensure that the initiative continues to reach across the entire span of state government, the office will move to SPA along with Doyle.

'69

Jim Kennedy

who is retired after 35 years in the financial services profession, recently shared his insights regarding the *Notre Dame Business Summer 2010* cover article, "Should You Be An Entrepreneur?" Kennedy points to the importance of entrepreneurs being comfortable with the all-important, revenue-generating sales aspect of their business.

'64

James B. Ginty

Pennsylvania Governor Edward G. Rendell recently reappointed James B. Ginty of Philadelphia to serve as a member of the Pennsylvania Gaming Control Board (PGCB). Ginty was first appointed to the PGCB in 2007.

'62

Rev. Joseph H. Carey, C.S.C.

is a campus minister and priest-in-residence at the University of Notre Dame, has been appointed interim director of Campus Ministry. A member of the Campus Ministry staff since 2005, Father Carey has served as co-director of the Notre Dame Encounter retreat program, director of the senior retreat program, and chaplain to the Rite of Christian Initiation of Adults program, international students, and the Core Council for Gay and Lesbian Students. He is a priest in residence in Ryan Hall.

WEDDINGS

John G. Kost

recently retired as a senior partner at the Fredrikson & Byron Law Firm, Minneapolis. Kost chaired the firm's Bank and Finance Group and also served as director of lawyer hiring and assistant treasurer. Following graduation from Notre Dame, Kost served 13 years in the U.S. Navy with duty including numerous destroyers, Vietnam, ship command and the Pentagon. John and his wife now live in Islamorada, Fla.

'57

James W. O'Neill

received The Rev. Louis J. Putz, C.S.C. Award for improving the lives of others. For the last 15 years, O'Neill has helped support Catholic elementary schools in poor areas of Dallas by preparing and executing financial plans and installing accounting systems. The award was presented by the Notre Dame Alumni Association in April 2010.

'56

Donald Walz

notes that he swims every day at the Y and is planning on working until he's 80 years old. Walz is president of Hosiery Mill Sales, Hickory, N.C.

'53

Clyde Zuba

was recently named "Father of the Year 2010" by The Ethnic Heritage Museum, Rockford, Ill. Zuba was honored for his many contributions to the city of Rockford including his involvement with the Rockford Chamber of Commerce, Junior Achievement, and other organizations.

**Michelle Brintnall and Brian Chester (both '08)**

Michelle Brintnall and Brian Chester were married on Aug. 06, 2010, in Minneapolis with nine Domers in the wedding party and many more in attendance.

**Andrew Schoppe (MBA '03)**

Paula and Andrew Schoppe were married - twice! On May 12, 2007, they exchanged vows in St. Paul, Minn. Later that year, they traveled to Belo Horizonte, Brazil, Paula's hometown, where they exchanged vows on Sept. 2, 2007.

Nicole Sammartino and Greg Bergamesco (both MBA '07)

On June 6th 2010, Nicole Sammartino and Greg Bergamesco, both MBA '07, were married in the Philadelphia suburbs at the estate of John Pitcairn, founder of the Pittsburgh Plate and Glass Corp. Family and friends from all over the country, including a significant contingent from the Notre Dame family, were in attendance.

The Rev. Kim Bloom, wife of Management Professor Matt Bloom, performed the ceremony. Participating in the wedding were Gannon Williams (MBA '07), who served as best man, and Prof. Bloom, who read scripture and shared his memories of the couple during their time at Notre Dame.

While in the Notre Dame MBA program, both Nicole and Greg took Prof. Bloom's Innovation classes, where they learned much about themselves and one another. Prof. Bloom introduced a sense of spirituality in his lectures, which the couple embraced and have been motivated to incorporate further into their everyday lives. Since Prof. Bloom's friendship and teachings exemplified Nicole and Greg's Notre Dame experience, they could not think of a more perfect way to unite their love than under the blessings of the Blooms.



FUTURE DOMERS

**Chase David Metts**

Suzanne and **Tim Metts (MBA '06)** welcomed a son, Chase David, on April 25, 2010.

Thomas Oliver Clark

Elizabeth and **Chris Clark (MBA '01)** welcomed a son, Thomas Oliver, on May 7, 2010. Thomas joins Hannah (8), Fritz (7) and Charlotte (2) at home in Chagrin Falls, Ohio.

**Leah Katherine and Natalie Grace Macke**

Melissa and **Gregory Macke ('01)** welcomed twin daughters, Leah Katherine and Natalie Grace, on June 10, 2010.

MOVED?

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OR MAIL TO:

Alumni Records Processor
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Notre Dame, IN 46556-5646

IN MEMORIAM

Francis E. Daley ('59)

Francis E. Daley passed away on May 24, 2010. Daley was an educator on Cape Cod for many years, after which he ran a nautical store at Kingman Marine in Cataumet, Mass. He is survived by his wife, children and grandchildren.

William E. Lafond ('56)

William E. Lafond passed away on July 6, 2010 following a long battle with complications due to diabetes and cancer. Lafond retired from the Ford Motor Co. in 1990, following a 30-year career as an industrial engineer. He is survived by his wife, children and grandchildren.

Clement O'Neill III ('56)

Clement John O'Neill III passed away on July 17, 2010 following a long battle with prostate cancer. He was passionate about helping his ND '56 classmates beat cancer and co-founded the ND '56 Cancer Support Group in 1997. O'Neill is survived by his wife, children and grandchildren, as well as legions of loyal and loving friends.

Michael E. Judge ('52)

Michael E. Judge, a lawyer and longtime trust and commercial loan officer with the former Toledo Trust Co., passed away Oct. 16, 2010.

Harry A. Ducat ('48)

Harry A. Ducat passed away on April 28, 2010. Ducat was a World War II veteran who served in Europe and was awarded a Silver Star, Bronze Star and a battlefield commission to second lieutenant. He also served during the Korean War.



Richard T. Doermer ('44)

Richard T. Doermer, businessman and philanthropist, passed away Oct. 11, 2010.

Following his graduation with a degree in accounting from Notre Dame, Doermer enlisted in the Navy. Following his discharge, he attended law school. He began his practice of law as an associate with a Fort Wayne firm before becoming a general partner with Rothberg, Gallmeyer, Doermer and Fruechtenicht.

Doermer stepped away from his career in law in 1956 to become the director and executive

vice president of Dime Trust & Savings Bank. Through acquisitions, mergers and affiliations, it grew to become Summit Bank (Summcop) and then an affiliate of NBD Bancorp. He remained chairman and CEO of NBD Fort Wayne until he retired in 1992.

In addition to his professional life, Doermer was active in the nonprofit and public service arenas. He was a member of the Finance Council and Investment Committee for the Catholic Diocese of Fort Wayne-South Bend, served on the Board of Directors of the Public Employees' Retirement Fund, was a director of the United Way and served on the Board of Trustees at the University of St. Francis. For his work, he received a Sagamore of the Wabash.

Doermer was a member of the Mendoza College of Business Advisory Council and a supporter of his alma mater. He endowed the Doermer Family MBA Career Development Center, which opened in 1992.

Doermer also underwrote construction of Mendoza's Our Lady of the Rosary Chapel in memory of his late wife, Mary Louise ("Weezie").

He is survived by his son, Richard D. Doermer (ND '73), daughter Kathy Callen and five grandchildren.

Catching Up With ...

In 2001, as dot-com businesses were struggling, a group of Notre Dame alumni working in Silicon Valley decided to pull together and launch the ND Tech Forum. Under the leadership of Amy Guarino ('83), the group held its first meeting that September. Shortly after, *Notre Dame Business* wrote an article to introduce the group to the College community. This September, the group traveled to Notre Dame to hold its first meeting on campus.

We decided to catch up with the ND Tech Forum and several of the current members.



The ND Tech Forum began because the founders recognized that most ND alums in mid-career could not justify making time for primarily social alumni outings. They also recognized that, given the right opportunity, the ND alumni network could offer business and career support. Feedback consistently

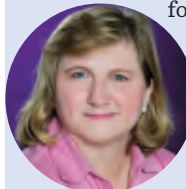
confirms they were correct on both counts—alumni feel that they can justify their time away from family because they recognize the benefit to their careers and businesses.

The group, which is primarily composed of alumni who are mid-career, attracts a broad diversity of majors and hosts events quarterly. Events range from single speakers, to speed networking, to Demo Day. Demo Day offers ND alumni who are executives in local startup companies the opportunity to make a 10-minute presentation and then request assistance from the club. Assistance requests range from ideas about how to better brand the company, to identifying prospective partners, customers or employees.

With an increased interest in entrepreneurship, the ND Tech Forum hopes to expand both its outreach and expertise around startups to alumni globally. The members would like to offer a mix of virtual presentations and live local events. They also would like to collaborate with alumni who are interested in tech and startups to better understand how the Forum can leverage the skills and talents that are unique to Silicon Valley.

The club hosts undergraduate and graduate student groups from Mendoza and the ESTEEM master's program during spring and fall breaks, introducing them to alumni involved in tech and setting up company briefings.

Amy Guarino ('83) is one of the group's founding members. She is the vice president of business development



for Marketo, running the partner and alliance program. The company provides business-to-business marketing automation software that helps companies build a highly efficient sales and marketing engine. Commenting on the Tech Forum, Guarino says, "The ND Tech Forum has allowed me to combine my love for Notre Dame and my love for business in a way that benefits and helps fellow alumni and brings the University closer to Northern California."

Guarino and her husband, who have two sons, are involved with Elizabeth House, a transitional home for homeless women and children.

Andy Banton (MBA '94) is the president of Gil's Gourmet, a 21-year-old gourmet food company in Monterey, Calif. Banton is working to grow the high-end retailer in a difficult economy and a tough agricultural environment. His involvement in the ND Tech Forum "offers an opportunity to interact with dynamic, intelligent risk-takers. I find myself feeding off their

optimism, experience and can-do attitudes. In short, it can motivate me, which I then take back to my workplace,” Banton says.

Banton serves as vice president of the Sand City Seaside Chamber of Commerce. He and his wife, Nan, have two children and live in Carmel.



Dominic Paschel ('04) led SuccessFactors initial public offering in 2007 and is the director of Global Public and Investor Relations, overseeing the company's global corporate strategy and communications. In 2009, Paschel helped launch SuccessFactor's Business Execution (BizX) software, which is delivered through the cloud. The software improves business alignment, team execution and people performance to drive results for companies of all sizes.



Cloud computing allows consumers and businesses to use applications without installation and access their personal files at any computer with internet access. This technology allows for much more efficient computing by centralizing storage, memory, processing and bandwidth.

Paschel views the ND Tech Forum as bringing together the very drivers of technology—software, venture capitalists, technology, investment bankers—to share what is working and to exchange ideas. He sees technology as the most fertile ground for innovation and says that the ND Tech Forum offers tremendous opportunity for everyone who wants to participate.

Megan Hanley ('90), is the general manager of Global Media at Microsoft, overseeing the company's advertising, media strategy and investments across all brands and geographies. Although she currently works for one of the largest technology companies, Hanley shares that she's an entrepreneur at heart.



Prior to joining Microsoft, she oversaw direct marketing at Esurance. Her tenure at Esurance helped her to discover that her passion is in building businesses through consumer-focused, media-led strategies. Working at Microsoft has allowed her to follow her passion on “a massive global scale, which is a humbling and amazing learning opportunity,” she says.

Hanley joined the ND Tech Forum in the early days when it was a unique community of like-minded people trying to do something that hadn't been done before. Today, she believes, the ND Tech Forum has taken the passion of those early years to a larger audience to build a community that only Notre Dame can.

Liz Panzica Newman ('91) was most recently the vice president of marketing at ZELTIQ, a medical device startup in Northern California. She was responsible for driving companywide marketing communication efforts as the company launched in multiple markets. The company's CoolSculpting procedure recently received FDA clearance for fat reduction. Newman says that the ND Tech Forum offers a unique opportunity to connect the ND community in the Bay Area back to the University.



Newman and her husband Michael ('93) have three children.

John Younger ('85), who describes himself as a recovering software developer, is the founder and CEO of Accolo, a cloud recruiting company that he started in 2000. Although Accolo was recognized as one of the Inc. 500 fastest growing companies, the pressures to evolve the business resulted in Younger firing himself in early 2009. Following time away, he returned as CEO, instituted major changes and in 12 months, increased net income, gross margin and client retention.



Younger says, “I think that self-reflection with a high degree of intellectual honesty and the courage to reinvent oneself is at the core of many successful entrepreneurs ... most entrepreneurs have strong beliefs with high confidence. That's what helps an entrepreneur to animate and grow a company in spite of all the obstacles that arise.”

“The ND Tech Forum is a great organization that not only helps connect Notre Dame alumni, but also serves as a fantastic learning experience. Speakers and events provide unique insights and access,” he says.

Responding to the need to consider the impact of one's choices on future generations, Younger drives an electric car, and lights, heats and cools their house with electricity produced from 35 solar panels.

Kevin Maddock ('87) is the senior vice president of Global Sales for Rimini Street, a third-party software support and maintenance provider that offers enterprise software licensees a choice of software support and maintenance providers. Maddock, who works with the marketing team to define and prioritize marketing campaigns and region initiatives, is responsible for building and leading a sales organization to increase market share and revenues. He is a member of the executive team and serves as an ambassador for Rimini Street at conferences and events such as the ND Tech Forum's recent event on campus, where he was a presenter.



Participation in the ND Tech Forum provides Maddock with the opportunity to share his experiences with students, something that he is passionate about doing. “The Notre Dame community has not been as well marketed and represented in the Bay area as other academic communities,” Maddock says. The activities of the ND Tech Forum are increasing awareness and visibility while building camaraderie among alumni.

Juan C. Jones ('86) is the senior vice president of technical support services for Oracle North America. In this role, he has oversight for all aspects of Enterprise Service Management and Support Renewal Sales. Jones leads a team of service executives and technical staff who manage relationships with several of Oracle's customers.



In addition, he leads the Support Renewal Sales team responsible for selling and renewing \$7.5 billion in maintenance revenue. He serves on the Technology Services Industry Association Advisory Board.

ND Tech Forum “is a great way to stay connected to ND alumni and leaders in technology,” Jones says, and the “networking connections are enormously helpful given the interconnected world that is technology.” The group's meetings also allow for a wealth of innovation to be exposed and tapped through the exchange of ideas and the organization helps create links that allow its members to give back to the Notre Dame community.

Jones resides with his wife, Lisa, and two sons in the San Francisco Bay Area where he is on the Board of Directors of Canyon Creek Little League and also coaches soccer and basketball.

Photography in Alumni News section by Marcus Marter and supplied by alumni.

—Peggy Bolstetter is associate editor of *Notre Dame Business*.

Everyday Grace

Thoughts On Remorse

First in a series of reflections by Lawrence S. Cunningham

Friday afternoons before a home football game are quiet times for professors. Students are already gearing up for the game and rare it is that a student, on such an afternoon, feels a need to consult a professor. It was mildly surprising, then, when someone knocked at my door on a football Friday several years ago. My visitor, it turned out, was not a student but an elderly “subway alumnus” who was in town for the game but wanted to speak to a theologian. In his wanderings, he found me at my desk.

After the usual pleasantries, he told me the reason for his visit. A summation of his tale went something like this: as a young man he did a terrible thing that has haunted him all of his life. He has gone to confession to seek absolution many times, sought out priests for counsel, prayed incessantly, but he found no peace, nor a sense of forgiveness. In fact, he told me, not only could he not erase that event from his mind, but he was obsessed with the conviction that he was destined for damnation because of his youthful act. What, he concluded, was I to make of this and did I have any advice.

The ball, figuratively speaking, was now in my court. Just to get the ground rules in place, I told him that I was not a confessor, a professional counselor; not a spiritual director, nor a spiritual master. I study such people and their writings. Nor did I inquire about the nature of the act that so agonized him. He had confessed it many times and rehearsed it frequently in his own head, so any inquiry on my part was just picking at a wound that was already inflamed.

There is a useful word in the Christian spiritual vocabulary for such conditions; it is called remorse. The word itself comes from two Latin words: *re* and *mordere* which mean “to bite repeatedly.” It is that condition in which a moral failing in the past haunts the person by lacerating the soul. Remorse can take the form of those terrible words we say to another that we can’t take back or the lashing out at a loved one that is hard to heal. The variations are infinite, but they all hold this in common: they torture us as we rehearse them in our minds. My visitor suffered remorse to such a degree that it shaped his entire life by racking him with such guilt that he was near despair.

What was I to say? I resisted pinning a psychiatric label on his problem, although I was becoming convinced that he probably needed professional help. So, I did not say that my visitor was

suffering from obsessive-compulsive behavior or what the spiritual writers call “scrupulosity.” My approach, based on my suspicion that he always received kindness from the various persons whom he consulted, was to give him a little tough love.

Look, I said, I don’t know what you did in the past but one thing I do know is that your greatest sin is that of overweening pride. When he simultaneously bristled and looked puzzled, I pressed on. You seem to think that of all the persons who have ever walked this earth, you alone have invented an act which is beyond the mercy and forgiveness of God. Go and talk to any priest on this campus who is an experienced confessor, and he will tell you that hearing confessions is a repetitive task for the precise reason that we are all pedestrian sinners. Rare is the moment when the experienced confessor says that he has never heard that transgression before. The most egregious sinners recorded in history have not done anything new but have merely multiplied the usual sins by magnitude. “The murder of one person is a tragedy,” the cynical Stalin once said, “while the death of a million is a statistic.”

Warming up to my topic, I concluded with the observation that my visitor had neither the wit, the malice, nor the intelligence to invent a sin so original that it was beyond the mercy of God. Finally, I said, that since he had requested my advice, he would get some at a very fundamental level: Ask for God’s mercy; Do not ever confess this sin again or seek anyone else’s advice; and keep repeating this truth: You are like everyone else, a sinner in need of the help of God. Ask and you shall receive. Period.

My visitor seemed to have taken this blunt talk in good spirit, so I wished him a good time at the game and concluded with the ritual, Go Irish. I would love to report that he was freed of his burden and praised my name as a spiritual genius. Such only happens in lives of the saints. I never did see him again. But some months later, he called me to say that he was still wracked

with guilt. He resisted getting professional help, and I guessed that he was still seeking out confessors to assuage his guilt. This all happened many years ago, and I still have his meeting with me in my mind’s eye and still pray for him when the liturgy asks us to recall the departed and those in need of prayer.

It is the case that most of us feel remorse over past failings and such feelings are a good thing. At the same time, it is a truth of faith that our sins are not equal to the willingness of Christ to forgive us. After all, is that not at the very heart of what the Gospel is all about?

The word itself comes from two Latin words: *re* and *mordere* which mean “to bite repeatedly.” It is that condition in which a moral failing in the past haunts the person by lacerating the soul. Remorse can take the form of those terrible words we say to another that we can’t take back or the lashing out at a loved one that is hard to heal.

My song, the psalmist sang, is of mercy. From the time we were children we were taught that the only unforgivable sin was the resolute unwillingness to ask for forgiveness.

A psychologist once said to me that his most guilt-ridden patients were disproportionately Catholic. To which I responded that in this world it is only Catholics who understand that there is much about which we should feel guilt.

At the same time, there was a tendency in the past to overemphasize sinfulness, guilt and the need for penance. My suspicion is that my visitor, many years ago, got a generous dose of bad theology in his diet, and that he could never quite dispel it.

Some years ago the distinguished Swiss theologian Hans Urs von Balthasar wrote a book, *Dare We Hope?*, in which he asked this simple question: *Is it possible to hope that in the end everyone will be saved?* If the answer is no, does it mean that the power of evil was stronger than the salvific grace of Christ? Balthasar simply asked the question. If we are inclined to answer yes, then my visitor is today before the Lord and the things that tortured him for so long and with such ferocity are now forgiven, forgotten. And he, like all the faithful, has eternal light shining upon him.

—Lawrence S. Cunningham is John A. O’Brien Professor of Theology at the University of Notre Dame.

Brother André Bessette opened the door. For nearly 40 years, he stood at the entrance of a boarding school in Montreal and greeted visitors. He carried luggage, swept floors, washed windows, cleaned outhouses, cut hair and delivered students' dirty laundry.

The first saint from the Congregation of Holy Cross—who was canonized Oct. 17, 2010, in Rome—was not a scholar or a University president, even though his order is renowned for founding eight colleges and universities. Brother André could barely read.



But he was a teacher. He taught that we must welcome every person as Christ.

And he taught it daily throughout his life. He became renowned for comforting and praying with the sick. Sometimes people reported miraculous healings, which he attributed to the intercession of Saint Joseph.

Through his fortitude, Brother André gathered construction materials and volunteers to build a small chapel dedicated to Saint Joseph. In later years, the chapel was expanded to a towering shrine. It was completed in 1937, thirty years after Brother André's death.

Saint Joseph's Oratory is visited today by more than two million pilgrims annually. Some supplicants climb the stone steps on their knees.

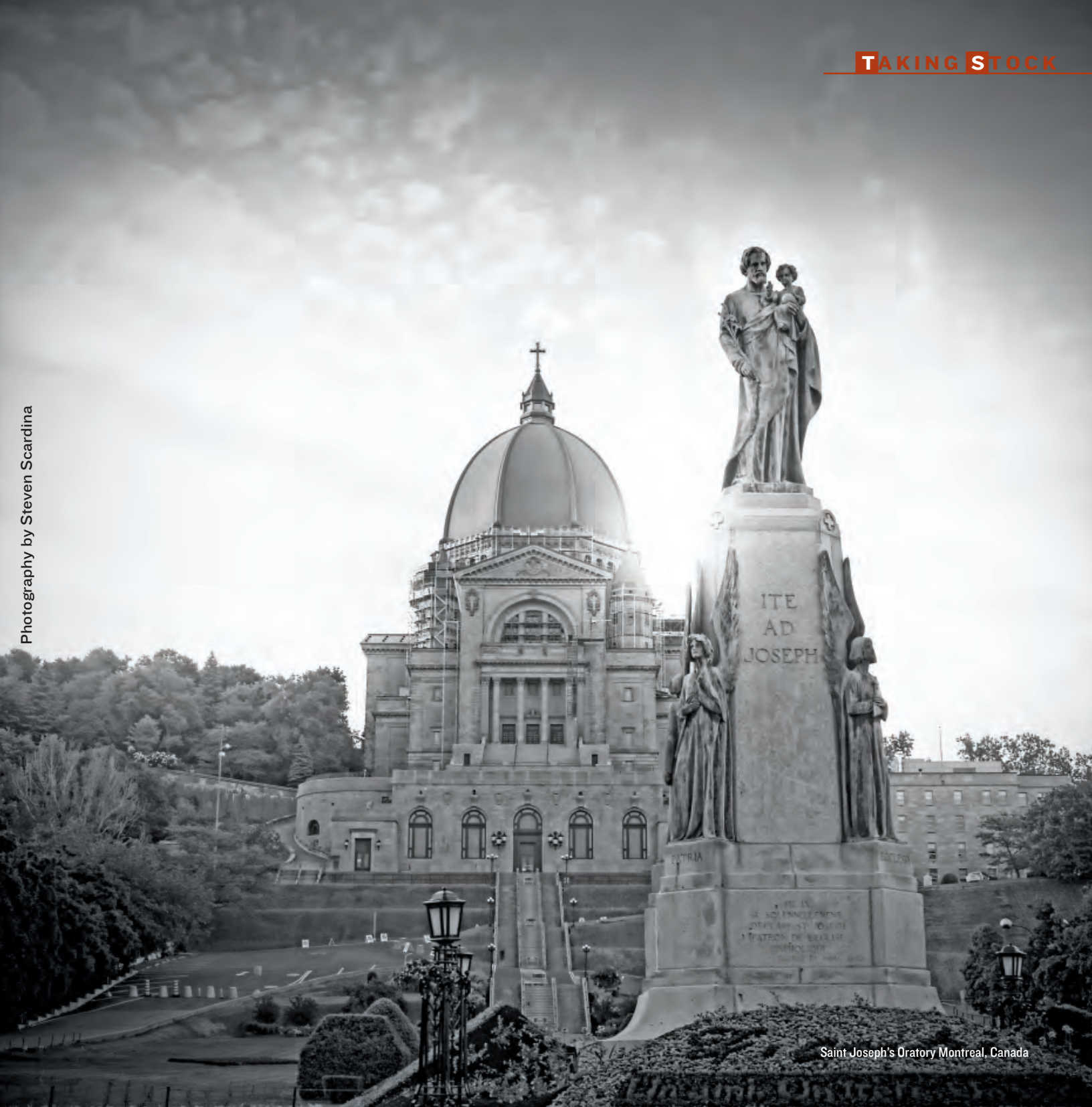
Here are some things Brother André taught us:

"When you say to God, Our Father, He has his ear right next to your lips."

"Practice charity with your neighbor—and this doesn't mean only to give money to the poor. We could, for example, keep ourselves from examining our neighbor's conscience."

His advice to a beleaguered wife and mother: "Household quarrels are like drafts. To create a draft, you need to open two windows. Close one, and you stop the draft."

—Mary Hamann with excerpts from Jean-Guy Dubuc's biography, *Brother André: Friend of the Suffering, Apostle of Saint Joseph* and the Congregation of Holy Cross website (vocation.nd.edu).



Saint Joseph's Oratory Montreal, Canada

Brother André recommended very simple prayers, such as
“ Saint Joseph, pray for me as you yourself would have
prayed had you been here on earth, in my shoes, with my
troubles.”



The Chapel of Brother André, Saint Joseph's Oratory

Pictured are a few of the thousands of canes and crutches which were left behind by the infirm who prayed with Brother André for healing. The plaques on the walls are silent witnesses of their faith.

“Do not go where the path may lead, go instead where there is no path and leave a trail.”

— Ralph Waldo Emerson

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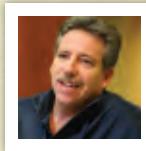
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Tim Rann ('07) uses his business expertise to help young, abused women as CEO of Hagar Social Enterprise Group, a social business investment fund in Hagar International. Hagar provides shelter and care for victims of extreme human rights abuses with the ultimate goal of linking them to sustainable employment so they can lead independent lives. Victims such as Thuy, a young Cambodian girl who was fed pig slop before fleeing an abusive home.

Tim decided to devote his life to social entrepreneurship after being struck by the poverty in Chinese villages where he taught English after his freshman year of college. He saw an opportunity for business to play a positive role in assisting the disenfranchised, so he chose to earn an accountancy degree.

Tim works with Hagar's social business investments (a multinational café chain and a food services company), which provide training and dignified employment to over 400 individuals.

After living in Cambodia for several years, he now faces a fresh challenge in Afghanistan. "There is tension in the air. You feel it every time you step outside a compound," says Tim. "But the passion and dedication of the Hagar team is humbling." Learn more at www.hagarusa.org

web exclusives

Read expanded article at:
bizmagazine.nd.edu



"We do a disservice to these women if we don't give them a supportive, professional environment where they can learn to work up to the rigors of the actual market."