



Denise Daniels Doug Downing Gary Karns Herb Kierulff Regina Schlee Henry Petersen Richard Sleight



Gerhard Steinke Ryan LaBrie Kim Sawers Donald Summers Lisa Surdyk Jeff Van Duzer Kenman Wong

SBE Faculty Notes

Margaret Diddams and DENISE DANIELS' article, "Good Work With Toil: A Paradigm for Redeemed Work," was published in the Fall 2008 *Christian Scholar's Review*.

DOUG DOWNING presented his paper, "Consequences of Misunderstanding Poverty," at the July 2008 Western Economic Association convention in Honolulu, Hawaii.

GARY KARNS' article, "A Theological Reflection on Exchange and Marketing: An Extension of the Proposition That the Purpose of Business Is to Serve," appeared in the Fall 2008 *Christian Scholar's Review*.

HERB KIERULFF published his paper, "What a Business Plan Must Show," in the November 2008 *Economics and Organization of Enterprise*. He also presented his paper, "Is IRR Relevant," at the November Applied Business and Entrepreneurship Association convention in Hawaii. In addition, his collaboration with REGINA SCHLEE, "Brand Attributes and Positioning of a Fine Dining Restaurant," appeared in the November 2008 *Proceedings of the Society for Marketing Advances*; and his joint article with HENRY PETERSEN, "Avoiding a Financial Crisis," will appear in an upcoming *Journal of Business Strategy*.

RICHARD SLEIGHT spent Saturdays this past fall alternating as team photographer for cross country races at Seattle Pacific University and Bellevue Christian School.

GERHARD STEINKE, with ISM graduate Jim Nindel-Edwards, will publish "Ethical Issues Surrounding the Software Testing Process" in a forthcoming *Communications of the IIMA*. Also,

Steinke and colleague RYAN LABRIE presented their paper, "Another Way of Teaching Management Information Systems," at the Christian Business Faculty Association's November conference in Indianapolis, Indiana.

KIM SAWERS and David Burgstahler presented a paper, "Financial Reporting Incentives for Private Colleges and Universities," at the American Accounting Association Annual Meeting in Anaheim, California, in August 2008.

DONALD SUMMERS with Tracy Thompson and Jill Purdy published "A Five-Factor Framework for Coaching Middle Managers," in the Fall 2008 issue of the *Organizational Development Journal*.

LISA SURDYK presented her paper, "Businesses Doing What They Can, With What They Have, Where They Are, to Address Poverty in America," at the November Christian Business Faculty Association conference in Indianapolis, Indiana.

JEFF VAN DUZER contributed the chapter, "Free Markets and the Reign of God: Identifying Potential Conflicts," to *Global Neighbors: Christian Faith and Moral Obligation in Today's Economy* by D. Hicks and M. Valen, the third book of the Eerdmans Religion, Ethics, and Public Life series, Summer 2008. Also, along with N.T. Wright and Francis Collins, Van Duzer will serve as a plenary speaker at the InterVarsity-sponsored "Following Christ" 2008 conference to be held in Chicago, Illinois, between Christmas and New Year's Day.

B. Dyck, M. Neubert, and KENMAN WONG authored "Unchaining the Iron Cage: What Can Managers Do?" to appear in a forthcoming *Christian Scholar's Review*.

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OPERATION PRIME

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Responsible Management Education (PRME). So far only 153 of the world's leading business schools have committed themselves to the six PRME principles. (See "Principles," page one.)

How did we come to this point? In 2000, the United Nations announced the Global Compact initiative, which asked business organizations around the world to commit to a set of human rights, labor, anti-corruption, and environmental principles. So far, more than 4,500 companies and organizations from around the world have become members of the Global Compact.

Growing out of the Global Compact, the U.N. unveiled the PRME commitments for business schools in 2007. In May 2008, our faculty unanimously voted to endorse the PRME principles since their emphasis on ethics and values-based leadership echo what has been a hallmark of SBE's curriculum — long before other schools jumped on the ethics bandwagon in the post-Enron era. When the opportunity to join other universities in celebrating and advocating these commitments came along, it was a natural fit for us.

At a recent Association to Advance Collegiate Schools of Business conference, other schools shared what a struggle it was to get their faculty to endorse the PRME principles. These stories renewed my appreciation for the strong, genuine commitment the SBE faculty members share in seeing business as a powerful force for good in the world. Sometimes I forget how rare and contentious this perspective can be.

All PRME schools agree to report their activities in this regard on an annual basis. In addition, PRME schools commit to sharing best practices and curricular developments with other member schools.

In December 2008, Dean Jeff Van Duzer will attend PRME's meeting in New York City, where the first year's accomplishments will be celebrated. You can be proud of your business school as it lives out its commitments in "radical" ways for the world to see.

Books

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



HIGH PERFORMANCE WITH HIGH INTEGRITY: MEMO TO THE CEO

By BEN W. HEINEMAN

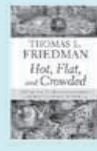
Ben Heineman, a senior executive with General Electric through the Jack Welch years and beyond, outlines how GE tried to bridge the gap between wishing for an ethical organization and creating practices to actually accomplish ethical goals.



AFRICA DOESN'T MATTER: HOW THE WEST HAS FAILED THE POOREST CONTINENT AND WHAT WE CAN DO ABOUT IT

By GILES BOLTON

According to former African aid worker, Giles Bolton, the West often treats Africa indifferently in both the aid it provides and the aid it fails to provide — policies that make economic and business development in Africa formidable.



HOT, FLAT, AND CROWDED: WHY WE NEED A GREEN REVOLUTION AND HOW IT CAN RENEW AMERICA

By THOMAS L. FRIEDMAN

In his new book, Pulitzer Prize-winning author Thomas Friedman discusses the point where "climate change meets politics meets technology," and how it's an opportunity for American business to create timely, important solutions to global issues.

Seattle Pacific University Shareholders

AUTUMN 2008

SCHOOL OF BUSINESS AND ECONOMICS

NEWSLETTER FOR ALUMNI AND FRIENDS



business as service

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Operation PRIME

RANDALL FRANZ, ASSOCIATE PROFESSOR OF MANAGEMENT



Randall Franz

Not so long ago, in a smoky backroom (or perhaps it was a lofty boardroom ... or the halls of some governmental office), a band of revolutionaries hatched a plan to transform the practice of business by realigning the way business is taught. And with gritty determination, the faculty in Seattle Pacific University's School of Business and Economics decided to join forces *officially* with these radicals for justice and sustainability.

Now perhaps I'm being a bit ... dramatic. But we're proud to say that in 2008, SBE was the first business school in the Pacific Northwest to become a signatory to the Principles for

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PRINCIPLES FOR RESPONSIBLE MANAGEMENT EDUCATION (PRME)

- Purpose:** We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.
- Values:** We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.
- Method:** We will create educational frameworks, materials, processes, and environments that enable effective learning experiences for responsible leadership.
- Research:** We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental, and economic value.
- Partnership:** We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.
- Dialogue:** We will facilitate and support dialog and debate among educators, business, government, consumers, media, civil society organizations, and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

"You can be proud of your business school as it lives out its commitments in 'radical' ways for the world to see."



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and Economics

Seattle Pacific University



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School of Business and Economics: www.spu.edu/sbe
Center for Integrity and Economics: www.spu.edu/cie
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Through the Lens of Service

JEFF VAN DUZER

For some time now our mantra has been simple: "Business as service." "Business practices built on a foundation of ethics and values." "Another way of doing business."

In fact, for years we have been exploring what it means to approach the discipline of business through the lens of service. Drawing on our understanding of Scripture, we work hard to champion an understanding of business that encourages our students to consider how business disciplines and skills can be (and are being) used to make a positive difference in the world.

This work has taken us down many roads, but it's always started with the conviction that we need to constantly improve our teaching in traditional business subjects if we are to prepare our students to be effective change agents. And we take this very seriously. For example, in 2007-08 alone we added both a minor in entrepreneurship and a new "Introduction to Business" course, built a rigorous "assurance of learning" process, and strengthened the information-systems component of our MBA.

Our interest in "business as service" has also taken a number of other curricular and extracurricular forms. For some of us, it's involved research and writing around the explicit connection between theology and business. For others, it's involved the exploration of the growing field of corporate social responsibility, sustainability, and the like. And for still others, it's taken us deeper into the field of social ventures, microfinance, and community development.

We find that our students are "getting it" and are very engaged. In this edition of *Shareholders*, we are pleased to highlight some of these recent developments and hope that you will be just as excited about what's happening in SBE.

Another Way of Doing Business

Carboncart.com: A Social Venture Success Story

DON SUMMERS, CLINICAL LECTURER

During the spring of 2008, a team of four Seattle Pacific University students took Los Angeles, California, by storm in Microsoft's Imagine Cup.

Known as Carboncart.com, freshmen Ryan Tilton, Reed Probus, and Laura Hanes, and junior Kevin McFarland competed head-to-head with big name schools, such as UCLA and Carnegie Mellon, and big name teams from across the country. It didn't intimidate them a bit.

And there was no reason it should, because they came in second behind a team from Stanford — and took away \$8,000 in prize money. That capital buttressed the \$1,000 they had won in SBE's own Social Venture Plan Competition weeks earlier.

Carboncart.com has now gone live as an Internet shopping site with a twist: It's a way to make purchases so that they do no harm to the planet. For example, when an item is ordered through Carboncart.com, the company purchases carbon credits to equal the CO₂ produced by each item shipped. For each item shipped, buyers may choose one of three carbon-reducing projects to support: renewable energy, energy efficiency, or reforestation.

Team members credit their success to the support received during their planning phase. And it was SBE's annual Social Venture Plan Competition that helped get the "cart" rolling.

"I didn't expect to walk away with such a large network of talent and people willing to help out with [our] project," says Laura Hanes. Teammate Kevin McFarland agrees. "We had extraordinary access to both business and academic experts," he says. "They helped guide us in the mechanics of starting a business: researching our market, creating a business plan, sharpening our purpose and definition, and engaging the public and potential investors."

Visit carboncart.com to see the extremely wide shopping opportunities available, then try out the service. It's a trouble-free way to make a difference in the world today.



Don Summers



Emerging Approach Alleviates Poverty

Do you know the answer to this riddle?

While many Americans have only begun to hear about it, some experts estimate that it's already served more than 100 million people, and that at least 3,000 institutions are engaged in its delivery. Plus, an economist from Bangladesh named Muhammad Yunus won a Nobel Prize by expanding it. What is it?

"It" is microfinance, a revolutionary method to combat poverty. Microfinance provides small-scale financial services such as loans and savings accounts to help poor people start or expand small businesses. Clients are typically women who often lack a consistent income stream and collateral — and who may be illiterate. In many cases, more than 95 percent loan-repayment rates have been reported, which explodes myths about the poor and cements the belief that microfinance may be a sustainable means to alleviate poverty.

As part of SBE's initiatives to promote social enterprise, Professor Kenman Wong taught a new class on this emerging field during Winter Quarter 2008. Students studied topics such as methodologies, limitations, and current controversies. They also engaged in service-learning projects with a local, domestically focused microfinance institution.

Jason Williams, a senior economics major, even got an up-close look at microfinance in the Dominican Republic and Haiti this past summer as part of a coveted internship he secured at Hope International, a highly respected microfinance organization. To deepen the educational experience of students in similar ways, SBE is presently developing partnerships with several other organizations in this exciting field.

To learn more about microfinance and related SPU activities, visit www.spu.edu/microfinance.

Non-Business Faculty Create Business Plans

DON SUMMERS, CLINICAL LECTURER

Imagine college professors becoming students and students becoming professors. That's exactly what happened on Seattle Pacific University's campus in early June when eight SPU faculty members from seven different disciplines stepped into a condensed version of our social-venture plan course. Two teams were handed a blank piece of paper on day one and had completed draft plans by day four.

None of the participants in the summer course had any background in business. The pace of the course was fast. Information conveyed was comprehensive. Work accomplished was phenomenal. The "Cockroach Cooking" team created a plan to help youth prepare healthy food. The "Dino Health" group developed a new, all-organic cereal. Profits from the sale of Dino Health products were to be used to promote healthy lifestyles for children.

Sessions were led by a group of outstanding experts drawn from business and social-service communities, SPU faculty, and SPU students. Two of the student "faculty" members were Brian Boldman, a senior business administration major, and Kevin McFarland, a junior economics major, both from winning teams in SBE's Social Venture Plan Competition. "Professors" Boldman and McFarland received positive reactions and great appreciation from their students.

In fact, responses from the summer participants were much like our matriculated students during the year. One commented, "Having an opportunity to practice methods was extremely helpful. It was exciting to see how to implement this approach." Another remarked, "The process isn't such a mystery now."

That was precisely the goal. In the end, the course helped faculty members from across campus recognize the potential of business as a means of doing good in the world, and it prepared them to encourage students beyond SBE to take advantage of the social-venture plan course.



A New Focus on Social Enterprise

DENISE DANIELS, ASSOCIATE DEAN FOR UNDERGRADUATE STUDIES

Developing a funding stream for a microfinance bank in the Dominican Republic ... Putting together portable water filters ... Creating a video documentary of a social enterprise in Seattle ... SBE students have undertaken these and other activities in various elective classes during the past two years. Each of these classes has had an explicit emphasis on serving the common good through the engine of business. And soon, SBE students will be able to complete a "concentration" in the area of social enterprise.

A concentration means students take 15 or more elective credits in a specific area of business: finance, management, marketing, information systems, economics, or international business. Beginning this academic year, students may also choose a concentration in social enterprise.

Students completing the social-enterprise concentration will take our newly created microfinance class, a social-enterprise course, and a social-venture plan class. In the latter, they'll prepare a business plan to be submitted to the annual Social Venture Plan Competition.

To round out their concentration, students will choose one of two classes focused on economic development and a nonprofit management course. Our hope is that the social-enterprise concentration will motivate and equip business students to use their business skills in service to the poor and marginalized of the world.



Denise Daniels

Briefcase

NOTES FROM AROUND SBE

NEW MANAGEMENT FACULTY MEMBER

This fall, Tanya Boyd joined the School of Business and Economics on a full-time basis to teach management courses. Currently completing her doctoral dissertation in industrial-organizational psychology from SPU's School of Psychology, Family, and Community, Boyd has served as an adjunct professor for the past two years. Her experience prior to SPU includes time spent as director of admissions for Dubuque Theological Seminary in Dubuque, Iowa, and with a start-up equestrian company with connections in the United States and Germany. She has worked as a consultant for both large and small companies. Boyd says the best part of teaching at SBE is the opportunity to integrate her faith with her work and research.

MARKETPLACE MINISTRY LIBRARY COLLECTION ACQUISITION

A newly acquired collection of more than 2,000 books, articles, and papers has been acquired by SBE from the private collection of Pete Hammond, a long-time senior leader with InterVarsity Christian Fellowship and a noted author and historian of the Marketplace Ministry movement. Housed in the SPU Library, the collection is likely the

most comprehensive documentation of this movement anywhere in the world. It's available to students and scholars from around the world.

THEOLOGY OF BUSINESS DISCUSSIONS

During the summer of 2008, SPU's School of Theology (SOT) joined with SBE to explore various theological methods and their application to the practice of business. This was part of ongoing efforts to develop a theologically informed understanding of the purpose and practice of business. SOT faculty members Jeff Keuss, Dave Nienhuis, and Daniel Castelo each spent a morning presenting a high-level overview of a theological approach, and SBE faculty members spent the afternoon discussing the method's business applications. Plans are underway to extend and deepen the collaborative partnership between SBE and SOT.

FACULTY RECOGNITIONS

Congratulations to our faculty for many outstanding SBE awards this past year. Ross Stewart received two honors: he is both Teacher of the Year and the Joseph P. Hope Professor of Leadership and Ethics, a three-year appointment recognizing outstanding performance and poten-



Ross Stewart and Dean Jeff Van Duzer

A Talk With John Terrill

JOHN TERRILL, NEWLY APPOINTED DIRECTOR OF THE CENTER FOR INTEGRITY IN BUSINESS (CIB), TALKS ABOUT HIMSELF AND THE MISSION OF THE CENTER.

What background do you bring to this position?

My most recent employment was as national director for professional schools ministries with InterVarsity Christian Fellowship. I've also been an on-campus InterVarsity staff member at the Harvard Business School, a consultant with the Hay Group, and a commercial banker with Bank of America.

I have three master's degrees: an MBA from Northwestern University, and both a master of theology and a master of religion from Gordon-Conwell Theological Seminary. My undergraduate degree was in finance-real estate from Indiana University.



John Terrill

What drew you to accept the directorship of CIB?

There may not be a discipline that wields as much power and influence as business. The School of Business and Economics at Seattle Pacific University has outstanding faculty members who care deeply about training students to use the opportunities of business to serve others and to help solve the world's most difficult challenges.

SBE's unique context also creates a lot of excitement for me. No other leader in the work/fairness movement enjoys the unique place of a fully accredited business school. This gives us a high degree of credibility within the research, business school, and marketplace communities.

Another dynamic unique to SBE is our work in developing a theology of business. I don't know of any other organization doing this with the same level of focus.

What will be your most important responsibilities as director?

In addition to working internally with faculty members and staff, I'll be working to establish strong relationships in the business, church, and nonprofit sectors. As director, I'll guide the Center in communicating creatively with the non-Christian world by expressing faith-based values in everyday language. We want the Center to be practical and helpful to practitioners, although it will find many of its strengths in empirical research.

What challenges do you expect to face?

New organizational leaders often employ the strategies that made them successful in past endeavors. But each organizational context requires something different. One of the challenges for me, personally, is to get a good read on the unique situation at CIB and then make the necessary personal adjustments.

What do you regard as the most significant functions of the Center in the days ahead?

CIB will coordinate research into alternate methods of ethical and theologically grounded business practices. And the Center will partner with other organizations in promoting similar initiatives.

In the days ahead, it's going to be critical that the Center offer a timely, even a prophetic voice in business and society. Business is shaping culture — for good or evil. And when economic expansion is not paired with truth and a commitment to do what is right, cycles of spikes and destructive collapses rob people of wealth, opportunity, and hope. The role of the Center will be to speak to such issues and set a bar that could really change the way business is done.

What is on the immediate horizon?

We hosted a panel at SPU on October 29 to address the financial crisis our nation faces. We're talking about a Spring Quarter 2009 gathering for scholars and business practitioners to advance the development of a theology of business. We're also talking about a major conference for Autumn Quarter 2009 or Spring Quarter 2010. That event would be national in scope and gather participants around a big idea about business as a force in shaping and reshaping culture. Stay tuned ...

ERISMAN AND TERRILL CONTINUE WORK IN CENTRAL AFRICAN REPUBLIC

In June 2008, Al Erisman and John Terrill, newly appointed director of the Center for Integrity in Business [see article above], visited the Central African Republic (CAR) for the third consecutive year. The trips involved students from InterVarsity Christian Fellowship, Terrill's previous employer. Key leaders, including the CAR prime minister, have extended an open invitation for ongoing partnership and work, including focused work at the University of Bangui in microfinance research and projects to support women in the unique challenges they face within the African culture.

KEN KNIGHT RETIRES

Ken Knight, one of SBE's esteemed professors of management and information systems, retired this past June. A faithful advocate for SBE, Professor Knight served as the School's second dean, and he was responsible for hiring many of the faculty members who serve in SBE today. He's taught countless students to better understand the implications of information systems and e-commerce in business. We celebrate his long career and wish him well in the next chapter of his life.



Ken Knight



Ashley Duncan

ISM STUDENT RECEIVES PRESIDENT'S CITATION

Ashley Duncan, a 2008 recipient of a master of science degree in information systems management, received the President's Citation for high academic achievement and adherence to the ideals of Seattle Pacific University — one of the highest academic honors SPU bestows. As a Boeing employee, Duncan has trained and mentored co-workers, planned departmental food-bank fundraisers, coordinated an Adopt-A-Family project, and participated in a Habitat for Humanity work project. She serves her church as children's worship leader, Bible study group leader, and planner-coordinator of retreats and events. She is pursuing a second master's degree in business administration at SPU.