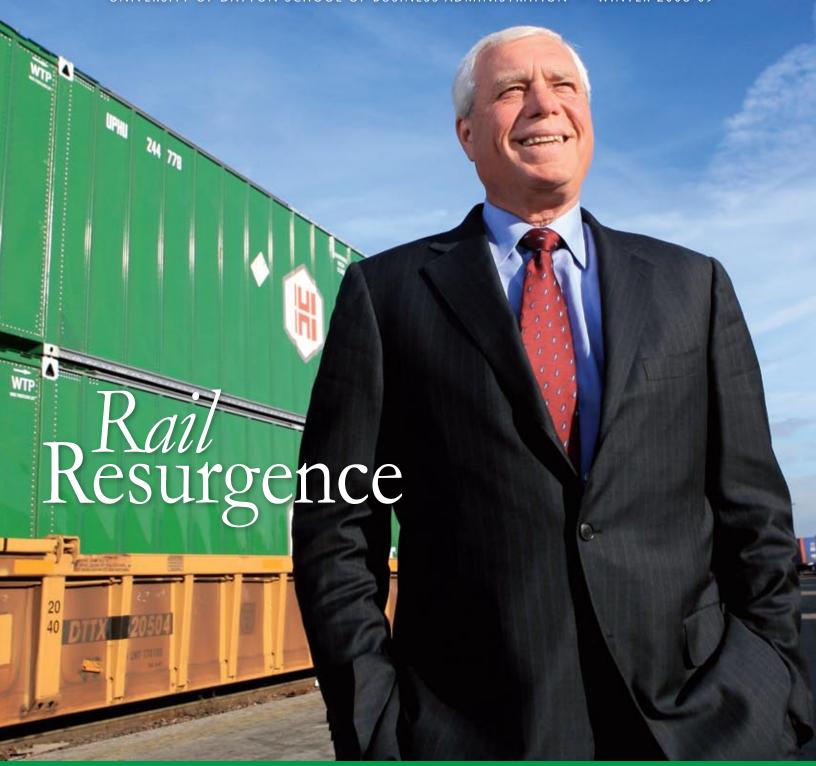
BUSINESS LEADER

UNIVERSITY OF DAYTON SCHOOL OF BUSINESS ADMINISTRATION • WINTER 2008-09



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The Dayton Business Leader is published twice each school year by the University of Dayton School of Business Administration in cooperation with the University communications office. Send comments and class notes to classnotes@udayton.edu. Class notes may appear in print and online versions of the magazine. Find more information on the Web at http://businessleader.udayton.edu.

Editor: Maureen Schlangen schlangen@udayton.edu Graphic designer: Gina Gray Photographer: Larry Burgess

Cover photo: Dave Yeager '75 is CEO of the intermodal shipping firm Hub Group in suburban Chicago. On Page 10, read why rail deserves a second look. Photo by Andrew Campbell



Challenging year, hopeful future

It's been a challenging year for business.

By the time the National Bureau of Economic Research had the data to pronounce for the record in Novem-

ber that the United States had been in a recession for the previous 12 months, the economy was already on track to set a new record for post-World War II recessions — 16 months, set in 1981-82.

But it's been a challenge for almost all of us on a personal level, too. Retirement savings have taken hit after hit. Some of you are worried about losing your jobs. Your home's value has probably dropped. Banks and brokerages are still struggling worldwide, and factories are closing. Each time I open the newspaper, I find myself bracing for more bad news. Maybe you do, too.

But I've found some encouragement.

First, the University of Dayton is a hope-filled and hard-

working community. Our Marianist optimism and the work ethic of our founders have brought the University through many difficult times — and can yet again. It's an acknowledgement of the difficulty, but a belief in the future.

Second, we're a learning community. Historic times portend teachable moments. As our students and faculty observe each new recessionary milestone, they're delving into the hows and whys that brought them about. They're learning not only about economic history and business but also ethics and social responsibility. They are asking the hard questions that will help transform them into business leaders for the recovery, for the future.

Third, you — our alumni and friends — continue to support the School of Business Administration and our mission to provide high-quality business education through learning, leadership and service. We thank you.

EARNED EXCELLENCE

THE BEST BUSINESS SCHOOLS IN THE WORLD THE BEST ACCOUNTING PROGRAMS IN THE WORLD

Mathew De Sheek

Matthew D. Shank Dean, School of Business Administration

News briefs

ENTREPRENEURSHIP: NO. 4 IN THE NATION — In September, *Entrepreneur* magazine and the Princeton

Review ranked UD's entrepreneurship



program fourth in the country — up a position in its ranking from the previous year. It's the third straight year the program, based in UD's L. William Crotty Center

for Entrepreneurial Leadership, has been among the top five. See http://crottycenter.udayton.edu/.

WHERE CAN \$250 TAKE YOU IN TODAY'S

ECONOMY? — How about UD Arena for RISE IX on Thursday, March 26? RISE, the world's largest student investment forum, brings together some of the top minds in the financial world to discuss money, markets, leadership and the economy with students, scholars and professionals. Bonus: eight hours of continuing education credit. Register at http://rise.udayton.edu.

SUCCESS SPECIALIST JOINS ADVISING TEAM — In its com-

mitment to improving retention and diversity, the School of Business Administration has hired an academic success specialist for its advising team. Shannon Penn joined the staff in November to aid with recruiting and academic support.

3 TAPPED FOR SOCIALLY CONSCIOUS INVESTMENT ORGANIZATION — Three finance

majors — juniors Micaela Drolshagen and Jim Ortman and sophomore Matt Veryser — were inducted into the intercollegiate investment organization Global Platinum Securities in New York City in October.

Global Platinum promotes socially responsible investment principles. Members manage the GPS 100 investment fund with students from Georgetown University, New York University, London School of Economics, Harvard University, Massachusetts Institute of Technology, University of Colorado and University of Pennsylvania.

of Business Administration made the 2009 edition of *Best 296 Business Schools*, published by Random House and the Princeton Review, for its top-notch MBA program. In the publication, students said they valued the MBA program's "guaranteed real-world consulting project experience" and the diversity of the faculty, which includes career teachers, professionals and retired business leaders.

UD AMONG BEST — The School

MBA OUTCOMES: ETHICS, SOCIAL RESPONSIBILITY—

Students called UD "one of the best-kept

secrets in the world of MBA programs."

Starting this past fall, a popular course on business ethics and corporate social responsibility became an MBA requirement.

"We recognize the critical significance of business ethics and social responsibility in graduate business education," said program director Janice Glynn. "This new course will better equip our students to meet the challenges of ethical decision making in the workplace."

How to...

Work in professional football without the shoulder pads

Since childhood, senior accounting major and lifelong Pittsburgh Steelers fan Ashley Dancy dreamed of working in the NFL. Only a few things stood in her way — namely her gender, her small stature and ... well, a frustrating inability to throw a spiral. But this fall, she lived the dream in a three-month internship with the NFL Players Association in Washington, D.C. Here's how she landed the job:

Step 1: Google. "I Googled NFL internships one day, and the NFLPA was the first thing that popped up," Dancy said. Many apply, but few are chosen — eight, to be exact.

Step 2: Lead the pack. The application process was "highly competitive," said Dancy, a student worker in UD's internal auditing office. "I compiled a binder with letters of recommendation, applications and writing samples, among other things." They sent her another application, and before long, she had the offer. "They were very impressed with my background here at UD."

Step 3: Play it cool. The first week on the job, Dancy was a bit star-struck. One of the first hands she shook had a Super Bowl ring on it, she said. Tom Carter, a defensive back for the Washington Redskins and the Cincinnati Bengals from 1993 to 2001, worked down the hall as a regional director. Stacy Robinson, the association's director of player development and a wide receiver for the New York Giants from 1985 to 1990, also worked nearby. Dancy called Pro Bowl honorees, Super Bowl veterans and — gasp — current Steelers on the phone to update records and discuss dues. Before long, she started to see the superstars as simply colleagues and clients. Even so, she barely succeeded at stifling a "Go Steelers" with one client.

"I have to stay professional," she said. "Really, they're just normal people. They're so nice."

Step 4: Blend in. "I feel like I know a lot about this area because I've watched football all these years," said Dancy, who watches ESPN and reads *Sports Illustrated* online daily. "That helps me a lot." The office has more than its share of rival banter. "Everyone knows who everyone else likes," she said.

Step 5: Set the bar high. For Dancy, that bar is steel. While she said she'd love to work with the NFL Players Association full time, her long-term goal is to work for a team.

"Ultimately," she said, "I'd like to go and work for the Steelers." ■



3: Number of consecutive years UD's entrepreneurship program has been named among the top five in the nation; in September, *Entrepreneur* magazine and the Princeton Review ranked the program at No. 4.

57: Number of entries in the Business Plan Competition's 2008-09 elevator pitch contest

\$35,000: Amount to be awarded in the competition; first prize is \$15,000.

C

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P

4: UD's ranking among entrepreneurship programs nationwide

\$1.4 million: Annual revenue of Flyer Enterprises' seven business ventures

\$10 million: Amount committed anonymously to the Class of 1965 Scholarship fund

\$2.5 million: Amount to be awarded to students in the School of Business Administration from the Class of 1965 Scholarship fund

14: Number of Toyota Production System business principles being implemented by a local nonprofit organization with the help of UD MBA students (see story on Page 6)

436: Number of miles a freight car can move a ton of goods on one gallon of diesel fuel (see story on Page 10)

9: Number of years UD has been putting on the RISE Forum — Redefining Investment Strategy Education; alumni and professionals can attend the keynote sessions on Thursday, March 26, at UD Arena and earn eight hours of continuing education credit. Registration is \$250; online registrations received on or before March 1 receive a \$50 discount. See http://rise.udayton.edu.

Contenders

Competition sales team finishes strong in rookie year; 2009 looks promising, coach says

UD was a rookie underdog at the National Collegiate Sales Competition in Kennesaw, Ga., in March 2008.

By the competition's second round, UD had emerged as a solid Cinderella, ultimately making it to the coveted quarterfinal round.

This year, coach Tony Krystofik, a 1978 UD marketing graduate who spent 30 years in sales before joining UD's management and marketing department as a lecturer, wants UD to be a contender.

The competition, hosted by the Center for Professional Selling at Kennesaw State University, drew two-person teams from 53 universities in 2008 and is "the largest university sales competition available," said Krystofik, who helped start UD's professional sales program. UD is one of about 30 business schools in the United States that offer a program in sales — surprising, Krystofik said, because almost 50 percent of all U.S. workers whose highest education is a bachelor's degree end up working in sales.

Both students on the 2008 competition team — Brittany Osterman and Jeffrey Pater — graduated in May with more than a dozen job offers; both took positions in the executive leadership pro-

gram at the Dayton-based international document services company Standard Register, a sponsor of the competition. Osterman works in Cincinnati, and Pater is in Charlotte, N.C.

"It was a great experience," Pater said.
"The preparation we did for the competition was a great learning experience and has without a doubt transferred over into our careers. On top of the number of job offers, it was great being exposed to so many different companies."

In preparation for the competition, Pater and Osterman spent about 150 hours in training with Krystofik. The product they had to sell: NetSuite, a new "software as a service" program for all phases of customer relationship management.

"The toughest thing is that you don't know the scenario," he said. "All they knew was that it was a dessert manufacturing company for large events."

The experience was close to what happens in the field, Osterman said.

"After every round of the competition, we would get together to discuss our calls and how we could improve for the next level," she said. "Looking back on the experience, it resembles the beginning of every sales cycle. You prepare as much as

you can, make the call, and then you do it all over again."

Just as in sales, preparation is central to succeeding in the competition, Krystofik said. Training began in January with the 2009 team. The competion is Feb. 26-28.



The 2009 National
Collegiate Sales
Competition team
— front: Megan
McLaughlin (alternate)
and Cara Baker; back:
coach Tony Krystofik and
Jeff Orr; not pictured:
Ben Berman (alternate).

6 join advisory council

Several people joined the School of Business Administration advisory council in the fall term.

Economics graduate

Mike Bosway '80 is the







atters

tional industry perspective to the council. Kozak, a senior manager of international contracts, pricing and integrated defense systems at Boeing, said that after researching the University, she saw that UD is a good fit with Boeing. She said she's impressed with the growth in the School of Business Administration and is pleased to work with students and faculty.

Accounting graduate Donald J. Dailey '74, who is retiring as a managing partner of PricewaterhouseCoopers, said his

reason for joining the council is the same as the reason he chose to attend UD: "I think UD does a terrific job of educating men and women for the workplace, and I'm happy to do anything I can to help the administration in that mission."

MBA graduate Linda Davis Watters '79, a managing director of KPMG, said she will draw on her 30 years of experience in the private and public sectors to assist the business school in its mission. Communications graduate Ty Williams '77, a senior vice president of commercial banking for Wachovia Bank, said he is looking forward to having a positive impact on the development of students and giving back to the University. Political science graduate Michael Manns '79 also joined the council.

Take a break with...

Tom Weckesser

Tom Weckesser '90 is just in his third year with UD as a lead systems analyst, but he is in no way new to the University. Recently, Weckesser sat down with graduate assistant Laura Edwards to discuss his ties to UD and his current and future goals.

Q: Tell me about your history with UD.

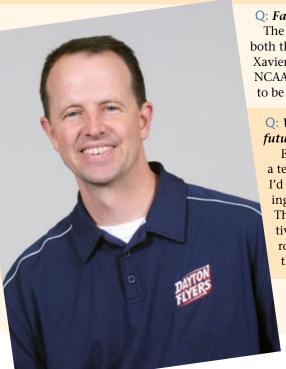
I graduated from UD with a degree in management information systems in 1990 and an MBA in 1995. My father is an assistant vice president for finance, and my uncle works as a comptroller for the University of Dayton Research Institute. My siblings all attended here, and I met my wife while working in the UD bookstore as a freshman. Our family was drawn to UD's values, and when this opportunity became available, I wanted to go for it.

Q: What are your current goals at UD?

I have three goals right now: One is to implement the UD's enterprise resource planning system in a way that provides the faculty and staff at UD with a robust system, which will in turn enhance the experience of our students. Second is to provide user-friendly self-service tools to students, faculty and staff that save time for them and streamline processes for UD. The third goal is to make it possible for users to get pertinent data out of the system that will help them make operational and strategic decisions. As to personal goals, I am hoping to get my PMP (Project Management Professional) certification once Banner is implemented.

Q: How do you spend your free time?

I enjoy coaching my children's youth sports teams. I also do some home remodeling projects, and I like to keep up with the Flyers.



Q: Favorite Flyer moment?

The Xavier wins in 1990. We won in both the regular-season game against Xavier and one that put us in the NCAA tournament. It was a neat time to be on campus.

Q: Where do you see yourself in the future?

Eventually I would like to obtain a teaching degree. When I "retire," I'd love to spend a few years teaching high school math or science. ... Those are just some really formative years, and you can be a good role model, a positive influence on the students.

-Laura Edwards '09



Accounting prof, MBA team help trade school adopt

The Toyota Way

Joseph Castellano's plan was to incorporate the Toyota Way into ISUS' factory.







Ann Higdon asked, 'Why stop there?' Castellano had found his champion.

By Maureen Schlangen



Far left: One team of MBA students looked for ways to improve the production of these prefabricated wall panels. Left: Students worked with ISUS founder Ann Higdon, center, who wanted to apply Toyota principles throughout ISUS. Below: Among the students' tasks was to study and time the steps in the production process. Below center: Professor Joseph Castellano. Bottom left: Inside the ISUS production facility.

After studying, researching and teaching the Toyota Way and the Toyota Production System for the past five years, accounting professor Joseph Castellano wondered, "Could nonprofits benefit from the management philosophy of Toyota and the tools of the TPS in the same way?"

"I saw the Toyota philosophy being applied outside manufacturing, such as in health care and service organizations," Castellano said. "I got the idea that if their philosophy could be used to improve service organizations, hospitals and the like, why not nonprofits?"

With a one-term sabbatical and a plan to use four MBA students in an independent study arrangement, he was determined to find out. But first, he needed to find a Dayton-area nonprofit with a large enough staff and a champion for the cause.

When he presented the idea to Ann Higdon, founder and president of ISUS Inc., a Dayton organization that created several charter schools to prepare students for careers in construction, health care, advanced manufacturing and information technology, his plan was to incorporate Toyota methods into the organization's advanced manufacturing operation. ISUS High Tech Homes prefabricates wall panels for residential and light commercial construction.

Higdon asked, "Why stop there?"

Castellano had found his champion.

Then he found 12 more MBA students, and with that, the project was under way.

Castellano started in the summer of 2007 training about 50 ISUS employees with Jeffrey Liker's *The Toyota Way* and its implementation guide by Liker and David Meier, *The Toyota Way*



Fieldbook. Five additional training sessions followed for ISUS employees as well as his MBA team. Field work began in January 2008.

"Conventional management likes employees to work around problems," Castellano said. "With the Toyota Way, if someone has to work around a problem, it's prima-facie evidence that ▶

The 16 MBA students on Joe Castellano's ISUS team met regularly at the ISUS production and education facilities on Keowee Street in Dayton.





JOSEPH CASTELLANO, who teaches managerial accounting and operations management, said the project to introduce Toyota's principles at ISUS was much larger than he ever planned, but he has no regrets. The relationship is mutually beneficial, he said. ISUS works better, and Castellano gets primary data for his research.

In the work with ISUS, which continues beyond his sabbatical, "I become more and more convinced that Toyota's systems can significantly change and improve any organization," he said. "They can be more efficient, more effective, more productive."

He's also received personal rewards from the partnership.

"Kids who are not making it in mainstream schools are earning diplomas at ISUS, and the placement rates are increasing," he said. "I believe in ISUS' mission and vision. It's a pleasure to be involved with this group. I have never met a more dedicated group of employees or a stronger champion than Ann Higdon."

Without the involvement of the UD MBA students, ISUS probably couldn't afford such consultation, Castellano said. In turn, UD students have gained valuable, practical experience from the project.

Could other nonprofits benefit from a similar approach? Given a strong champion, the right size, and the proper training, Castellano said, "the answer is yes."

there's a problem. Having to do a workaround is a signal it's time to stop and fix the problem. ... If you apply the principles, there's always a way to do it better."

In April, just three months after the project started, the team had already brought about measurable efficiency, Higdon said.

"It's too early to see the full effects," she said, "but we've gone through the mapping of current things in future state, and we're already implementing the future-state ideas."

In the plant, which had an efficient, paperless operation even before the Toyota project, students and ISUS staff noticed areas for improvement immediately. The first came in the organization of the materials staging area. Simply sorting lumber by type and size using visual controls such as signs and boundary markers saved time, shortened walking distance and improved accuracy in material delivery.

In the admissions office, an analysis revealed ways to streamline communication with prospective students. It also revealed some common teaching inefficiencies resulting from the placement of new students in courses they weren't academically prepared for. The solution: a better pre-enrollment assessment that more accurately measured students' achievement and aptitude.

In the placement office, the staff's goal was for more students to have jobs or higher education plans lined up before graduation. As staff considered the timing of student portfolio preparation and interviewing, they made a discovery: In an average quarter, a handful of students complete their coursework early. Higdon made a call to Sinclair Community College, and before long, students were enrolled in their first college classes, thereby giving them a head start on the fall term.

"What's changed the most is the flow of information through the organization — when we collect it, what information we collect, who it's distributed to and how we manage it," she said. "What seems to be emerging is coordination of tasks between departments, sharing information and streamlining processes so they flow seamlessly and we have what we need," Higdon said.

Higdon acknowledges the venture's value.

"We could never have done this with a consulting firm," she said, noting the high cost such an endeavor would have incurred if it were not an MBA service-learning project. "We would have had to use more than one — one for the manufacturing operations and another for the fiscal processes. ... This project with Dr. Castellano has been very valuable for us."

Staff have adopted the Toyota principles so well that it sometimes haunts Higdon.

"They speak the language," she said. "If I hear another *kaizen* around here ..." ■





The 14 Toyota Way Principles

SECTION I: LONG-TERM PHILOSOPHY

Principle 1: Base your management decisions on a long-term philosophy, even at the expense of short-term financial goals.

SECTION II: THE RIGHT PROCESS WILL PRODUCE THE RIGHT RESULTS

Principle 2: Create a continuous process flow to bring problems to the surface.

Principle 3: Use "pull" systems to avoid overproduction.

Principle 4: Level out the workload (heijunka). (Work like the tortoise, not the hare.)

Principle 5: Build a culture of stopping to fix problems, to get quality right the first time.

Principle 6: Standardized tasks and processes are the foundation for continuous improvement and employee empowerment.

Principle 7: Use visual control so no problems are hidden.

Principle 8: Use only reliable, thoroughly tested technology that serves your people

and processes.

SECTION III: ADD VALUE TO THE ORGANIZATION BY DEVELOPING YOUR PEOPLE

Principle 9: Grow leaders who thoroughly understand the work, live the philosophy, and teach it to others.

Principle 10: Develop exceptional people and teams who follow your company's phi-

Despect your extended network of partners and aurabliers by challenging

Principle 11: Respect your extended network of partners and suppliers by challenging them and helping them improve.

SECTION IV: CONTINUOUSLY SOLVING ROOT PROBLEMS DRIVES ORGANIZATIONAL LEARNING

Principle 12: Go and see for yourself to thoroughly understand the situation (*genchi genbutsu*).

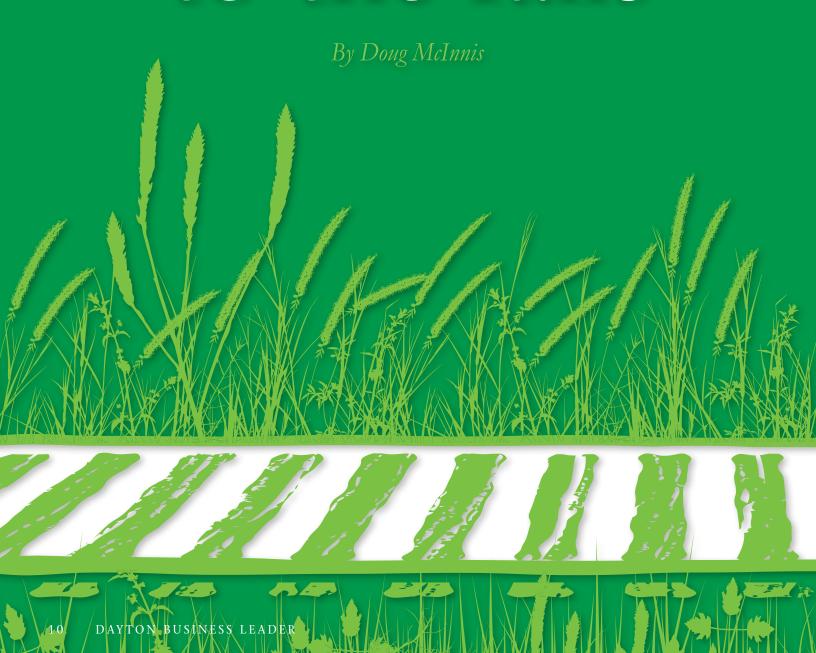
Principle 13: Make decisions slowly by consensus, thoroughly considering all options; implement decisions rapidly (nemawashi).

Principle 14: Become a learning organization through relentless reflection (*hansei*) and continuous improvement (*kaizen*).

Source: The Toyota Way, by Jeffrey Liker (McGraw-Hill, 2004)

Safety, reliability, sustainability cast rail and intermodal transport in a clean, green light

Return to the rails



n 1630, a primitive railroad began hauling coal in British mines. The tracks were wooden planks, and horses supplied the power. Though it little resembled modern railroads, it played on the same important concept — that freight can be moved most efficiently by cars running over a fixed line.

Today, freight railroads are fixtures in every industrial country, notably the United States, where they are a nearly \$57 billion-a-year business. Forty percent of all U.S. cargo moves by rail, and that number could grow, said Michael Gorman, associate professor of operations management.

"By my estimate," Gorman said, "26 percent of current truck hauling could be converted to rail."

Railroads have grabbed market share because they often are cheaper than the competition, especially for long hauls. They use manpower sparingly and are three times more fuel-efficient than trucks, according to industry data. This produces a notable side benefit: smaller quantities of greenhouse gas emissions, an important consideration as the world attempts to curtail climate change.

In short, "railroad transportation is greener," Gorman said. "Railroads are also safer in terms of human and physical

loss than trucking and more efficient in terms of infrastructure investment costs," he said. "It's cheaper to build rail lines than to build highways. Railroads win on all counts."

Shippers have taken notice. Figures compiled by the Association of American Railroads, an industry group, show 70 percent

of all cars made in the United States move by train, as does 30 percent of the country's grain harvest and 65 percent of its coal

One reason railroads have been so successful is that they both compete with and complement other forms of transportation. They provide cost-effective links in a worldwide cargo system that uses trains, trucks, barges and ocean freighters to move goods — a concept known as intermodal shipping.

The Hub Group, an intermodal shipping firm based in suburban Chicago, pro-

vides an example of how the system works. Hub Group employs 1,100 truck drivers and maintains a fleet of 16,000 intermodal shipping containers that can be moved from truck to train to freighter, said CEO Dave Yeager, a 1975 chemistry graduate. When the company requires a rail link, Hub Group contracts with railroads for the service.

For instance, Hub Group handles some shipments of dishwashers from Whirlpool's appliance factory in Clyde, Ohio.



AMERICAN RAILROADS BY

THE NUMBERS FOR 2007

• Class I railroad revenue: \$52.9 billion

• Freight revenues: \$56.9 billion

• Number of freight railroads: 565

• Number of employees: 186,812

• Miles of track: 140,695

A BRIEF HISTORY OF RAILROADS

1630

Horse-drawn wagons haul coal over wooden plank rails in British mines.

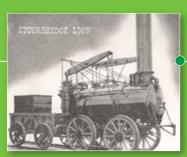


1774

Scotsman James
Watt builds the
first modern steam
engine.

1804

English inventor Matthew Murray builds a steam-powered locomotive that runs on timber rails.



1829

First steam locomotive is used in the United States.

The appliances are boxed at the plant, then loaded into Hub Group containers for shipment on Hub Group trucks to Chicago. There, the containers are transferred from truck to rail car and then shipped to retail store warehouses. The warehouses distribute the dishwashers via trucks to stores. If a shipment is going overseas, the containers are loaded from train or truck to freighter.

Intermodal shipping is a form of logistics management, an important specialty in 21st-century industrialism.

"At one time, manufacturers considered logistics an afterthought and a necessary evil," Yeager said. "Now it's important. Those who have mastered it have a competitive advantage."

In the United States, transportation logistics work well. China, by contrast, has seen enormous growth in manufacturing output, but it's failed to keep pace in rail-freight shipping capacity. China is now trying to carry a quarter of the world's global train cargo on just 6 percent of the world's track, *Business Week* recently reported. Bottlenecks and stalled shipments have been

the predictable result, the magazine said.

The U.S. system, by contrast, sparkles with efficiency, the result of \$420 billion in investment from 1980 through 2007, according to industry data. These days, it takes just two employees to operate a train carrying 250 containers.

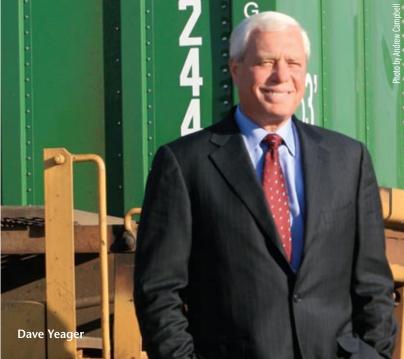
"To move the same freight by truck would take 250 drivers, driving 250 trucks," Yeager said. "The economics of railroads are very compelling over long hauls, and the longer the haul, the more compelling the economics."

It wasn't always so.

"From the 1940s to the 1980s, railroads were in big trouble for two reasons," Gorman said. "Railroads were heavily regulated, and the interstate highway system was being built, which created (a mechanism) for efficient truck transportation."

As railroads began to founder, shipments were late, and rail cars were lost. In one telling incident, Walt Disney bought a small steam locomotive to use at California's Disneyland and contracted to ship it by rail. But the railroad lost it. It finally





1862

President Lincoln signs the Pacific Railway Act, which authorizes construction of the Transcontinental Railroad



1869 —

Transcontinent Railroad is completed.

1913

General Electric
builds first
commercially
successful internal
combustion engine
locomotive in the U.S.



1980

Congress passes the Staggers Rail Act, which partially deregulates U.S.

Source: San Diego Railroad Museum

turned up in Pennsylvania, thousands of miles from its destination.

"It got so bad that whole industries in the Rust Belt were threatened with shutting down," said Steven Harrod, assistant professor of operations management. "It was a double whammy. The railroads started to fail, and then the industries that depended on them were threatened. This domino effect helped push U.S. industry overseas."

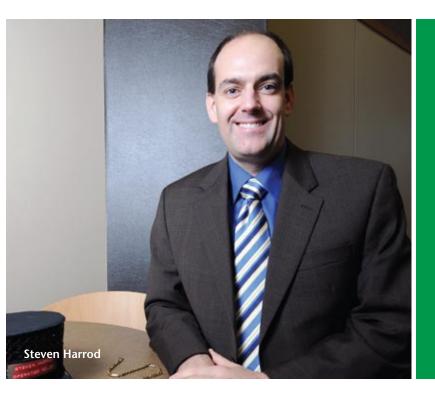
In 1980, Congress passed the Staggers Act, which partially deregulated the industry, allowing railroads the freedom to set their own rates and tailor service to their markets. Railroads began to make money, pouring much back into upgrading the system. Computers helped schedule and track the shipments. Mergers streamlined the industry. Redundant tracks were scrapped. Little by little, things got better.

Now, superior rail freight transport gives the United States an advantage in the rough-and-tumble global economy, and states and cities have begun to recognize that good rail service is vital to their futures. The mayor of Wilmington, Ohio, for example, is seeking better rail service to the huge DHL air shipping facility there, which is being shut down. The mayor believes better rail linkages will make the facility more marketable for new uses.

And the state of Ohio has joined the Heartland Corridor project, which is upgrading freight rail service between central Ohio and the Atlantic port of Norfolk, Va.

"There are certain resources that Ohio has to have to be competitive," Harrod said. "Better rail would open distant markets for the Midwest.

"The economy of Ohio in the past was linked to transportation and to its geographical location. The state depended on easy access to coal and metals for manufacturing and on transportation to move finished goods to other regions of the country. Now, we don't need as much coal, and a lot of manufactured parts are made of plastic. But we're still dependent on good transportation."



RAILROAD FACTS

- Railroad employees are among the highest-paid U.S. workers, averaging about \$95,000 annually.
- From 1980 through 2007, freight railroads plowed about 40 cents of every revenue dollar into maintaining, renewing or expanding track and equipment.
- Coal accounted for 44 percent of rail tonnage in 2007, more than any other commodity.
- Other commodities carried by rail include industrial chemicals, ethanol, grain, sand and gravel, food products, steel, lumber, and motor vehicles.
- In inflation-adjusted numbers, it cost 54 percent less to move freight by rail in 2007 than it did in 1981.
- In 2007, freight railroads could move a ton of freight an average of 436 miles on a gallon of fuel, up 85 percent from an average of 235 miles per gallon of fuel in 1980.

Source: Association of American Railroads



AUTHOR DIRECTS STUDENTS TO LISTEN, HEED GOD'S DIRECTIONS

bout 25 years ago, when newspaper reporter Gregg Levoy was having back pains, his doctor suggested the problem might be where he was sitting.

The doctor meant his chair.

But the chair wasn't the problem, said Levoy, who soon realized he wasn't just in the wrong location; he was in the wrong vocation.

Levoy, author of Callings: Finding and Following an Authentic
Life, came to UD in October at the invitation of UD's Program for
Christian Leadership to address students and faculty about the role
of vocational discernment. In his program, "Living the Promise: Helping
Students be Attentive to their Callings," Levoy encouraged students to use their time in
college as a period of listening.

Plenty of people go through life doing what they're not called to do, Levoy explained. They are almost all miserable. His father is a prime example. Following in the footsteps of his own father, who opened an eyewear business in the 1880s, Levoy's father became an optician. But Levoy said he and his two brothers knew their dad was never satisfied. Only when he was in his home chemistry lab was he truly happy.

"When my father came into our school for show and tell, he didn't do glasses; he did chemistry," Levoy said. "He came to life. He did well in the eyewear business, but he was meant for something else. ... He always told us, 'When the brass ring comes around in life, you'd better grab it,' as if he hadn't." When Levoy was in college, he made what he called a fateful decision not to pursue the family business. Neither of his brothers did, either.

"It was not our business to run it," Levoy said. "It wasn't his, either. ... Working in an environment you don't like is toxic."

There's no place for stubbornness in finding a true calling, Levoy said.

"People are tremendously, famously thick-headed," he said. "For my father, the call came through a thousand times, and he never got it. He went to his grave never having honored the will of God, never having acted on it or even known it. ... God is persistent. He's a hound dog. ... The longer we ignore the call, the louder it gets."

When a person meets with his or her God-given call, the world is made more perfect, he said with a quotation from the contemporary theologian Frederick Buechner:

"The vocation for you is the one in which your deep gladness and the world's deep need meet — something that not only makes you happy but that the world needs to have done."

TRUE OR FALSE?

In writing *Callings*, Gregg Levoy sought to understand how people were able to distinguish God's will from their own.

"I asked everyone I interviewed, 'How did you figure out God was speaking to you and it wasn't something else?" he said. In those interviews, Levoy noted some commonalities among what appeared to be true callings:

- A true calling keeps coming back, Levoy said: "It sustains itself over time. So look for passions that continue semester after semester, year after year, decade after decade
- 2. A true calling "will scare the daylights out

- of you," Levoy said, adding that sometimes it's accompanied by rejection and pain.
- A true calling takes time to unfold "Don't rush it," he said. "Discernment takes time to gain clarity."
- 4. Feelings matter: "When in the presence of what might be a calling," Levoy asked, "does your energy expand or contract? You have to be willing to move toward it and look at the feedback life is giving you as it unfolds. Sometimes, failure is part of the path. Maybe it's a test of your faith."

UD's Business as a Calling program examines how Catholic social teaching, the Marianist charism and other faith traditions can inform and enhance traditional business theories and practices. The program, which includes a course and an annual symposium, speaks to UD's commitment to encouraging leadership with integrity.

GRADUATE GUIDES STUDENTS TOWARD ETHICAL PRACTICES

UD alumnus and president of a New York City firm specializing in records and information management was interviewed *Inside the Actor's Studio*-style in October as part of the School of Business Administration's fifth Business as a Calling Symposium: Creating a Culture of Integrity.

Alan Andolsen, who graduated in 1967 as part of UD's first class in the graduate-level program in religious studies, spoke on business ethics in his keynote address Oct. 2.

Andolsen has been with Naremco Services Inc. since 1976 and is now its president. In a field that has moved from 3-by-5 cards and carbon paper to the data warehousing of trillions of documents and e-mails, Naremco advises companies on what to keep and how to manage it.

"Because of litigation today, one thing you don't want is a lot of irrelevant or obsolete information lying around," he said, recalling when one client needed to produce 3,000 messages but had to review more than 11 million to find them. "It has to do with defining the short- and long-term value of records. Nothing is irrelevant, but you are not obligated to keep everything."

Ethics is a sensitive issue in the consulting field, Andolsen

"The consulting profession is often looked at as a den of thieves," he said. "You know, the guy who borrows your watch to tell you the time.

... I believe that consulting done right is a valuable contribution to the common good, but if you let yourself be swayed or tempted to give clients what they want even though it's not what they need, just so they'll call you back, you're not doing them or the profession any good. You have to be able to say no when that is required."

The Business as a Calling series encourages students to view a business career as a calling, fostering social awareness and a sense of purpose while creating a culture of business integrity.

The series was established with a gift from Fifth Third Bank in Dayton.





Though she's a 21-year-old college student, senior management and marketing major Lauren Clarisey talks like a seasoned business professional.

She is.

She's logged four years with studentrun Flyer Enterprises and took office as CEO last spring.

The experience is great on her résumé, but it's also been handy in her studies.

"I use examples from Flyer Enterprises all the time in my management classes," she said.

1. Learn what drives people

"In class, we learn about motivation and compensation and incentives," Clarisey said. "I've learned at Flyer Enterprises that not everyone is managed or motivated in the same way. Some want the title even more than the raise. Some want to use a special skill. Some really want the positive reinforcement, and some want bonuses or sometimes raises." The

concept is easy enough, she said, but the part you can't learn in class is identifying what each person responds to.

2. Tough lesson

Flyer Enterprises prides itself on hiring good workers and training good leaders, but the leaders aren't in denial: College students aren't always reliable, Clarisey said. Sometimes, a manager has to let someone go.

"The coaching and teaching part of managing — that's great," Clarisey said. "But when you're a new manager, it's not easy to put your foot down with someone, especially when you know you're going to see them in the student neighborhood later on that night. I've had to do it. ... But you know, everyone wants to be involved with Flyer Enterprises. It's a disservice to our organization not to have the best people. If you're not living up to expectations and doing the work, it's a missed opportunity for someone else."

3. Tradition or profitability?

It's not easy to shed underperforming outlets when they're part of the business' history, but sometimes, it has to be done.

Flyer Enterprises' first division — Rudy's Fly-Buy — became a casualty of bad internal controls, inferior accounting methods, competition and declining sales — particularly of cigarettes.

"It was really hard," she said. "When do you say it's not a smart decision to stay open? (Rudy's) opened in 1990. ... Alumni asked us, 'How can you just throw away what we've done?""

In the end, they had to reconcile the facts with the emotions.

"It was necessary to close one door in order for others to open," Clarisey said.

4. 'A whole different ballgame'

When Flyer Enterprises opened its first venture off campus, Flyer Spirit, a retail apparel and novelty shop on Brown Street and online, managers found out they were in a new league.

"Marketing off campus is a whole different ballgame," Clarisey said. "We're marketing to the whole Dayton community. It's not enough just to post fliers. We had to reach beyond the campus."

They started by selecting the media and partners that would best reach their target customers: WHIO radio, which broadcast Flyer Basketball games, and alumni relations.

Flyer Enterprises expects Flyer Spirit, a joint venture with the UD Bookstore, to be profitable in the next two years.

More lessons from Lauren

- 5. Seize opportunities: Take advantage of the experiences that are available.
- 6. Use your resources: Mentors, professors and administration
- 7. Learn from your mistakes: "We're always thinking about succession," Clarisey said. "People are here three or four years at max. We focus a lot on documentation from past executives. We learn from their mistakes so we don't have to repeat them."
- 8. Take the time to teach: Always plan for succession.
- 9. Work hard, and surround yourself with people who have a similar work ethic and dedication.
- 10. Play hard. "Balance, balance, balance, and love what you do."

Alumni, business leaders learn industry's hottest marketing techniques

SPEED WARKETING

Alumni and Dayton-area business professionals got a crash course in the hottest branding strategies from students in a senior-level marketing course in October.

At the Speed Marketing event, 10 teams in lecturer Irene Dickey's marketing planning and strategies course had seven minutes each to share techniques such as "petro marketing," "dark marketing" and "the fake-action flick pitch." One team discussed using text messages broadcast to image-enriched billboards. Other topics included Web serial branding; "mob rules" for advertising on social networking sites such as Facebook and StumbleUpon; messaging for consumergenerated media; and green rating, which evaluates corporations' sustainability claims.

Their presentations proved that marketing is advancing as rapidly as technology, said 2007 MBA graduate David Bowman, a marketing manager with Cincinnati-based Lûcrum Inc., an information technology consulting firm.

Bowman

"The students did great," Bowman said. "From a presentation standpoint, they were very professional, and they have a good under-

standing of marketing in general and the topics."

Bowman said marketing has moved away from what he called "push marketing" — buying enough advertising to convince consumers to buy a product — toward using social networking and other consumer-generated media to promote products and services. Rather than the corporation having exclusive control over the message, consumers have a role.

With consumers' greater power to communicate in wider networks, companies can't ignore their potential as either a benefit or a detriment to their marketing efforts. When a major oil company tried to market itself as "green," people on social networks promptly — and on a grand scale — reminded consumers of the company's environmentally catastrophic oil spill. Blog posts about poor customer service at a worldwide computer retailer got such attention that the company had no choice but to improve, he said. Conversely, a leading fast-food company and an alternative band have profited handsomely from corporate-generated consumer buzz in social networking media.

"Big companies can't stop the voice from perpetuating," he said. "Consumers can lead it. It's exciting to see a lot of discussion of that by the kids across the board. These kids have grown up on it. They're looking at new trends and emerging ideas and technology and presenting that in the context of professional marketing."

Bowman was one of more than 30 alumni and business leaders who attended the event, Dickey said.

"I think they came out with much more than a nugget or two of good information," she said. "Next time, we'll look at a speed marketing event for Internet and electronic marketing."

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Management grad leads city as servant

In Jim Collins' 2004 management tome *Good to Great:* Why Some Companies Make the Leap ... and Others Don't, a critical component of organizational success is "getting the right people on the bus."

Dayton City Manager and 1998 UD management graduate Rashad Young has made this concept a pillar of his administration since taking the helm of his hometown in December 2006 at the age of 30.

"In order for me to be successful ... I want people who are smarter than me, who know more than I do and who are just as driven, passionate and committed to this community as I am," said Young, who earned an MBA from UD in 2004 and in September was presented with the UD National

Rashad Young

Alumni Association's Joe Belle
Memorial Award
for early career

achievement. "Those are the criteria I use in finding the right people with the same values in alignment — integrity,

accountability, ethics and honesty."

He's got high expectations, and he strives for constant improvement.

"I am not overly exasperated about when people make mistakes," he said. "What I value is integrity. I cannot tolerate a lack of effort, a lack of caring, being disingenuous, or mistakes that are the result of a lack of adherence to the norms and values I expect from senior management. But if people are more upset about a mistake than I am and do not want to make it again, I have a good idea they are the right people."

Like the late Joe Belle, the longtime director of residential services at UD, Young places great value in community and consensus.

"As a city manager, I am to some extent a CEO," he said. "But my ability to influence, direct, make things happen in the community is dependent on my ability to build consensus between people. It has to be about relationships. Everyone has a voice. ... Sometimes these groups agree, but more often they do not. You have to sift through all the competing interests to bring people together through partnership and collaboration."

To do that, he balances his own wisdom with that of others. "It's a combination of my personality, my experiences and learning by watching people who do it right and who do it wrong," he said. "If we handle something incorrectly, history has shown us that it can tear a community apart, causing sometimes deep divisions along racial or socioeconomic lines."

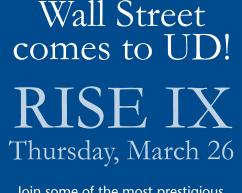
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Dean's Fund Excellence

When Joe Bausman was in college at UD in the 1970s habita ways

1970s, he had a young family and a job. He didn't live on campus, and as such, his connection to UD is almost purely academic.

"I didn't have the shared 'Ghetto' experience a lot of people have from UD," he said, "so my affection for UD is different, more oriented toward personal and professional development."

Bausman's service is a clear reflection of that affection. In the late 1980s, as Bausman was taking leadership as president of the computer systems division at Reynolds & Reynolds, then-Dean Sam Gould asked him to serve on the School of Business Administration advisory council. In that capacity, Bausman contributed an industry perspective to the School's rapidly advancing curriculum and technological landscape.

When Bausman retired, Gould asked him to take a different role: executive-in-residence in the MBA program — a post that gave Bausman a fuller appreciation of the challenges of academic leadership.

That's when he saw the value of the Dean's Fund for Excellence.

"The appeal of the Dean's Fund is that it allows the dean to make sure the programs important to the dean and the business school get the funding they need to be successful," he said. "It's a relationship of trust. I wanted to support the business school in a way that gave the dean the discretion to make sure important programs receive the funding they need in a timely manner."

He encourages fellow alumni to join him in his support of the Dean's Fund.

"Alumni remember what a wonderful place UD was and how meaningful it has been for their careers — even in ways they may not have been aware of at the time. Contributing to the Dean's Fund is a way to make sure that happens for students today."



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