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SPRING 2009

SCHOOL OF BUSINESS AND ECONOMICS

NEWSLETTER FOR ALUMNI AND FRIENDS

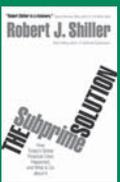
our success:
our alumni

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Crispy Bacon and Business Ethics

JEFF VAN DUZER, DEAN, SCHOOL OF BUSINESS AND ECONOMICS

A breakfast that began four years ago with 40 people gathered around a few tables in a McKenna Hall classroom has grown into the not-to-be-missed School of Business and Economics alumni event of the year.

This past January, at Homecoming 2009, more than 100 alumni and faculty came together for the SBE Alumni Breakfast with the Dean. Weter Hall's lounge was at maximum capacity. The bacon was crispy, the eggs fluffy, the coffee hot. The tables were abuzz with conversation as those in attendance caught up with old friends and networked with new ones.

Acknowledging the tumultuous economic times we face, the featured speaker, Dr. David Gill, engaged the audience on the topic, "Can Ethics Survive in an Economic Crisis?" Drawing on many aspects of his recent book, *It's About Excellence: Building Ethically Healthy Organizations*, Gill turned the question around. He suggested that it's not a question of whether a business today can afford to be focused on ethics; it's a question of whether it can afford *not* to be.



David Gill

Using case studies and personal anecdotes, Gill argued that ethics is more important now than ever, in part because so much of our current crisis has its origin in underlying unethical attitudes. Moreover, excellence in business success is often closely aligned with excellence in business ethics.

Ethical behavior, Gill says, can build trust and confidence among investors, partners, customers, and employees. It can forestall litigation, stave off excessive regulation, enhance reputation, protect the environment, build pride, and motivate mission-driven behavior. So there's good reason to believe that in most cases, and especially over the long run, "good ethics is good business."

"Excellence in business success is often closely aligned with excellence in business ethics."



A Mark of Success: Our Alumni

JEFF VAN DUZER

At end-of-the-year banquets for graduate and undergraduate students about to become alumni, I always tell them they're not leaving us, but simply changing the nature of our relationship. They are still part of the SBE family.

For many, I'm sure this doesn't make much sense at the time. After years of hard work, I suspect that most are focused on the day they will receive their diploma and close their SPU chapter. It's true that after graduating, some do just disappear. But many come back to check in, to reconnect, and to bring us up to date on how their lives have unfolded over the course of a few months — or a few decades.

At these banquets, I also like to remind our graduating students that during their time at SPU we've considered ourselves coworkers with them in preparing for this next stage — and that we will measure our success as a School by the way they practice business and live their lives. In an odd way, to be called to teach is to be called to a vulnerable vocation, because, at the end of the day, we succeed or fail based not so much on what we do but on what our alumni do.

It is with great satisfaction and no small joy that we learn the stories of our alumni — how they've succeeded in business, used their businesses as forums for serving their communities, and cared for the people entrusted to them. I hope you'll enjoy reading a few of their stories in this issue. And I hope that many more of you will take a moment to share your stories with us.

Alumni Share Their Stories

Helping Young Professionals Get a Good Start

ABBEY LOUIE '05, BUSINESS ADMINISTRATION, FINANCE CONCENTRATION

Boeing is a huge company with almost limitless opportunities. In my role as Boeing's northwest business intern program coordinator, I help interns find their niche — the best place for their skills and interests. My role is truly satisfying, especially when the perfect fit gives both managers and interns a great summer experience.

I started at Boeing almost four years ago in the Business Career Foundation Program (BCFP). As a BCFP participant, I rotated every four months to new finance positions for two years (six rotations total). This enabled me to learn quickly about multiple business units and functions, and to build a natural network. The BCFP has been an enormous benefit in my current position.



Abbey Louie

Although Boeing has a heavy focus on maintaining a diverse workforce, the majority of our employees are in the "Baby Boomer" generation. One of my biggest challenges is coaching interns and managers on the differences between generations. "Millennial" interns and Baby Boomer managers have different work and communication styles; therefore, it takes a conscious effort on both sides to forge a successful working relationship.

Despite the current business environment, Boeing's leadership team has been committed to the intern program. However, while our intern hiring hasn't been affected greatly, the downturn has left us less capable of converting interns to full-time positions. To help, I try to see that every open entry-level position is filled with a former intern.

About a month after starting my position as the intern coordinator, I organized a Lean Workshop to address some of the issues in our intern hiring process. Our team developed an entirely new hiring process, which I had the privilege of implementing in fall 2007. With the new process, we reduced cycle and flow time; improved communication with intern candidates; lowered costs; and improved the offer-acceptance rate. These changes both improved our image on university and college campuses, and made us far more competitive in intern hiring.

Choosing to view my work as a way to serve is a result of my years in the School of Business and Economics. SBE of course prepared me with the business acumen required to succeed. But most importantly, I left with a desire to serve others through my work. Recently I've had the privilege of working with a program specifically focused on attracting and empowering young students from underrepresented communities. Several of these students are the first in their family to attend college. I aspire to provide each student with mentoring and a valuable summer work experience that instills belief in their ability to succeed. It's all great fun!

Real Property Investor

BURTON WALLS '66, BUSINESS ADMINISTRATION

As a student I remained a pre-major as long as they would let me. I enjoyed creating things with my hands, but college was supposed to produce teachers, lawyers, accountants, and engineers. I finally settled on business administration as the closest fit. It helped that Professor M.B. Miller, whom I admired greatly, was my advisor and that he taught business classes.

My SPU education didn't help me nail two-by-fours together, but it helped me understand the value of knowing my limits. I didn't enjoy the accounting process, but I recognized that no business could survive without good record keeping. I determined to hire people for the areas where I am weak.



Burton Walls

As a freshman, I purchased my first apartment building — a duplex with a converted garage that passed as a living unit — because my dad encouraged me. I'd been roaring through earnings from my painting business with nothing to show for it. With this first purchase, I became the proud owner of *real estate*. Since then, we've added more than 200 units, all located within a 10-minute drive of my home.

We have a rental office in Ballard that serves our properties. We have eight employees in our operation, including an office manager who is a CPA. We couldn't do it without her. Here again the value of accurate accounting is paramount. My primary property management and maintenance people have been with me more than 25 years. One of our building managers is an SPU graduate. We have an SPU student as an office assistant, and over the years we've employed many other students — all of them excellent workers.

During my career, I've been involved in all aspects of the real estate business — brokering, leasing, plumbing, wiring, remodeling, financing, and tenant relations. With time, my role has lessened, and now our son Preston manages our property and his. Meanwhile, my wife, Ralene, and I are avid travelers. We recently returned from a trip to Antarctica, and we have several more weeks of travel scheduled for this year and next. So much of the world to see; so little time.

I've learned that life is all about decisions. Every day we make decisions that affect our future for years. Life is exciting by its very nature, but hopefully thoughtful decisions will keep it from becoming overwhelming. Moderation in all things is an important life decision.

In my capital-intense business, moderation in debt is the key to long-term success. Events of today only affirm that premise. I didn't learn that lesson easily; it came only through some early failures. But I look back and realize that it was an inexpensive lesson that lets me sleep well now.

"My SPU education didn't help me nail two-by-fours together, but it helped me understand the value of knowing my limits."

Aerospace Entrepreneur

MARK CHAMBERLAIN '02, MS-ISM

My work life has always involved aerospace. I started in various operations management roles, and then moved into advanced technology and product development at such companies as Sundstrand, AlliedSignal, Honeywell, and Systron Donner.

In 1997, I acquired LKD Aerospace, which at the time was a small aerospace spare-parts broker. Its existing distribution channels and customer base formed a platform to help us execute our strategy to become a manufacturing, repair facility, and global stocking distributor. Since then it's grown from \$300,000 in sales to nearly \$5 million last year. LKD Aerospace now manufactures, repairs, and distributes aircraft parts and services around the world.



Mark Chamberlain

I remain CEO of LKD Aerospace. However, the majority of my time is spent as CEO of Gladiator Technologies, a U.S., German-, and French-owned company based in Snoqualmie, Washington. The company designs and manufactures precision inertial sensors and integrated GPS systems. These products provide navigation, flight control, and stabilization for many applications, including motion monitoring for racing cars, unmanned vehicles, racing yachts, and other automotive, aerospace, and commercial applications. Gladiator Technologies has representatives and distributors throughout Europe, Asia, the Middle East, Australia, and New Zealand.

I co-founded Gladiator Technologies in 2005 with Rand Hulsing, a world leader in the design of high-performance micro-electro-mechanical systems (MEMS) inertial sensors (he has 66 patents in this field). We started the business because we enjoy the technical challenge of designing new advanced-technology products, and we were confident we had the unique experience and vision to become a world leader in this field.

Both businesses had record years in 2008, and management continues to believe we'll see year-over-year sales growth in 2009. However, the global economic crisis is definitely impacting our markets, even though they are diverse and distributed globally. In this environment, especially in the spare-parts business, a key challenge will be avoiding potential bad debt exposure with struggling customers, such as financially weak airlines that may declare bankruptcy.

My graduate degree in ISM at SPU has provided me many benefits. It reignited my love of learning and interest in new technology. The learning environment was fabulous, as were the professors and guest speakers. Students had intimate opportunities to connect with, question, and learn from business and technology leaders who really understood their specialty. And SPU reconnected me to both my Christian faith and the importance of business ethics. All of these things have been invaluable in my life since graduation.

RESOURCES FOR ALUMNI

CareerBeam provides assessment, résumé, and cover letter development tools; search strategies; and databases. www.spu.edu/careerbeam

Career Development Center for Alumni offers resources and tips for career search or transition, including getting hired, job listings, graduate school, and alumni events. www.spu.edu/cdc

SBE Center for Applied Learning events, such as lectures by guest speakers, are open to alumni. Register with the Center for Applied Learning. www.spu.edu/cal

SBE Center for Integrity in Business partners with Kiros to sponsor breakfast meetings and other group activities to connect, equip, and encourage Christian people in the marketplace. The CIB also hosts conferences and other special events open to alumni. www.spu.edu/cib

Ethix Magazine, a publication of the Center for Integrity in Business, is a unique journal about the intersection of business, ethics, and technology in a rapidly changing world. www.ethix.org

Young Alumni Council hosts a number of alumni events during the year and seeks to provide friendship and meaningful involvement in SPU programs and initiatives. www.spu.edu/yac

The Alumni Online Directory is a tool for locating individuals and also for individual communication of a personal nature between members listed there. www.spu.edu/alumni

LinkedIn is an online network of more than 37 million members. SBE maintains specific LinkedIn groups for its alumni. www.linkedin.com

Accounting Is All About People

SHARLYN TURNER '90, ACCOUNTING

Many people imagine accounting is a dull profession. Don't believe it!

Currently I'm an audit partner with Peterson Sullivan LLP. I joined the firm in 1995, after interning with a regional firm during my senior year at SPU and then spending five years in smaller local firms. As a partner with Peterson Sullivan, I have the ultimate responsibility for audit engagements of all sizes for both publicly held and private companies. Along with client work, I'm responsible for our company's practice development and for various firm administrative tasks. I also serve as the partner in charge of recruiting and retention.

The best part of my day is the "people" aspect of our business. Accountants are typically thought of as number crunchers. But public accounting is a very people-oriented business, in which maintaining open, honest communication with our clients is of primary importance. I believe every interaction we have has the potential to be life changing in some respect.

It's also important to stay in front of the rapidly changing issues and needs of our diverse client base. As professional accounting standards change and economic and industry factors change, we must be ready to help clients adapt and thrive.



Sharlyn Turner

Colleagues constitute another people aspect of our business. I enjoy working with them to make Peterson Sullivan a great place to work, a fact *Seattle Business Monthly* recognized in June 2008. Weekly organic fruit delivery, volunteer night at FareStart, latte and smoothie carts, and monthly "First Friday" parties are only a few Peterson Sullivan perks that *Seattle Business Monthly* mentioned, along with our 100-percent-paid health care premium and 29 paid days off per year.

Outside of work I spend time with my family and friends, and I consider myself a recreational triathlete. With all of this to keep me busy, life can never be dull.

Stewardship Is Basic to All of Life

MICHAEL DAILY '04, MBA

When you understand what true stewardship is, you realize the significant impact you can have on the world as a manager in a company, as a father (I have a 3-year-old son and a 1-year-old daughter), as a servant in the church, or in whatever role you find yourself.

I try to apply this idea in my work as senior project manager and Oracle Transportation Management lead at Starbucks, where I've been employed for almost nine years. In my role, I design and deploy logistic systems to support business goals using Oracle's computer-based technology for transportation planning and execution; freight payment; and business-process automation across all modes of transportation worldwide. It's my job to help everyone work smarter, and in that way I both serve my company and help others develop their own skills and abilities.



Michael Daily

Beyond my work, I have a passion that I regard as my direct part in building God's kingdom. I'm the founding steward of MISSIONmoto, an endeavor that I've led for about three years. Through MISSIONmoto, we take donated motorcycles, scooters, and dirt bikes; fix them up; and sell them. The profits help support missions work. I got the idea as a graduate student at SPU. I worked with some of my SPU professors on the concept and tried it out at my previous church. It's been fruitful in many ways. Recently, I built an 820-square-foot garage behind my home in West Seattle to accommodate the work of MISSIONmoto. I'm grateful the Lord has placed it on my heart to do this and to participate through MISSIONmoto in life's highest calling — spreading the gospel.

Interested in joining MISSIONmoto? Do you have a motorcycle, scooter, or dirt bike you could donate? Then please contact me at mdaily@comcast.net.

"I believe every interaction we have has the potential to be life changing in some respect."

"When you understand what true stewardship is, you realize the significant impact you can have on the world."

SBE Faculty Notes

TANYA BOYD and the coauthors of her paper, "1/0 Evidence and Expertise at Microsoft," participated in a symposium at the New Orleans annual conference of the Society for Industrial/Organizational Psychology in April 2009.

DOUG DOWNING saw new editions this spring of his books *Statistics the Easy Way* (coauthored with Jeff Clark); *Dictionary of Computer and Internet Terms* (coauthored with Melody and Michael Covington); *Dictionary of Mathematics Terms*; and *Algebra the Easy Way*. He presented his paper, "Consequences of Misunderstanding Causes of Poverty," at the Baylor University Christianity and Economics conference in April 2009. He will present his paper, "Wage Subsidies for Low Wage Jobs," at the Western Economic Association International Conference in June 2009.

DAN HESS attended the Eastern Finance Association annual meeting in May 2009, where he presented his paper, "A Framework for CSR Management and Reporting."

RYAN LABRIE was awarded tenure by SPU in February 2009.

HENRY PETERSEN will have two articles published in forthcoming journals. The first, "Morals of Economics? Institutional Investor Preferences for Corporate Social Responsibility," will be in *Journal of Business Ethics*; the second, "Corporate Governance, Social Responsibility, and Capital Markets: Exploring the Institutional Investor Mental Model," will be in *Journal of Corporate Finance*.

KIM SAWERS continued her service as western regional coordinator for the Accounting Behavior and Organizations Section of the American Accounting Association. She also acted as reviewer for the Managerial Accounting Section

of the American Accounting Association's 2009 Annual Meeting. In April 2009, she presented the same paper at two conferences. The paper, "Moving Toward a Principle-based Approach to U.S. Accounting Standard Setting: Is it Stakeholder Preference or a Demand for Procedural Justice?" (coauthored with Wendy Bailey) was presented at the Alternative Perspectives in Accounting Research conference in Quebec City, Quebec, Canada, and at the Public Interest Section 2009 Midyear Meeting in Charleston, South Carolina.

LISA SURDYK will present her paper, "Teaching Managers to Appreciate Economics by Using an Applied Approach," at the Western Economic Association International conference in June 2009.

JOHN TERRILL's article, "A Revolution of Vocation: The Role of the Church in Aiding in Systemic Change Across the Professions," appeared in the April 2009 issue of *Lusanne World Pulse*.



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CRISPY BACON

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Gill has worked as a business ethics educator, writer, and consultant for much of his adult life. In addition to his most recent book, he's the author of six other books, including *Doing Right: Practicing Ethical Principles and Becoming Good: Building Moral Character*. Gill also distributes a monthly newsletter, "EthixBizine," to approximately 1,400 business leaders and managers.

Although he's based in the San Francisco Bay Area, Gill maintains strong ties with the SPU community. He's flown back and forth regularly to Seattle over the last seven years to teach business ethics to SBE graduate students. He has regularly met with SBE faculty and attended a number of faculty retreats and workshops. And he even partnered with SBE's own Al Erisman in the early development and production of *Ethix*, the journal which is now a publication of SBE's Center for Integrity in Business.

Following Gill's presentation at the breakfast, I shared a short update, including a discussion of how SPU is coping with the current economic challenges. So far, continuing high enrollments and a number of proactive precautionary steps are helping the University to weather the storm well and to prepare for possible challenges in the future. And, as a silver lining to the dark clouds, SBE faculty members see a wealth of teachable moments in the unfolding crisis to use with their students.

When breakfast was over, many of the guests remained to chat with friends old and new, and to reconnect with former professors. All told, it was a rich morning — a chance for many of our alumni to "come home for breakfast."

Briefcase

NOTES FROM AROUND SBE

SBE ALUMNI: DON'T MISS THIS SEMINAR

John Medina, director of SPU's Brain Center, will conduct a one-day seminar in Seattle Pacific's Gwinn Commons on June 23. Based on his bestselling book, *Brain Rules*, Medina will apply what scientists know about how the brain works to the business world. He'll explain, among other things, why multitasking is a myth; what makes PowerPoint presentations so boring; and how stress affects the brain at work. The cost is \$495 per person (includes breakfast and lunch). For registration questions, contact Lindsey Peterson at lpeterso@spu.edu.

ECONOMIST ROBERT J. SHILLER HEADLINES DOWNTOWN BUSINESS BREAKFAST

On April 27, SPU President Philip Eaton welcomed more than 1,200 businesspersons and academics to Seattle's Westin Hotel Grand Ballroom for the Downtown Business Breakfast, the annual speaker series designed to challenge Pacific Northwest businesspeople with cutting-edge ideas presented by experts. This year Yale University Economist Robert J. Shiller analyzed America's current market situation and discussed bold innovations in the emerging field of behavioral finance.

OUTSTANDING SPEAKERS ADDRESS STUDENTS

The Dean's Series regularly brings business leaders to SPU's campus to speak. During Autumn Quarter, Tomin Moriguchi, Uwajimaya Chairman, discussed applying the best of his parents' Japanese culture to run and grow his family-owned business in an American business environment. And during Winter Quarter, undergraduates were challenged by Rita Ryder, Executive Director, YWCA Relations for Seattle, King County, and Snohomish County, to consider careers in not-for-profit fields in her presentation, "The Business of Doing Good."

FIRST OF ITS KIND: MICROFINANCE CONFERENCE DRAWS HUNDREDS

A "back-of-a-napkin" idea burgeoned into something very special — the 2009 Pacific Northwest Microfinance Conference. Held May 8–9 on SPU's campus, 12 sessions explored both the potential and the "how to" of microfinance in alleviating global poverty and human suffering. The conference drew more than 400 registrants from as far away as Canada, Ohio, New Hampshire, and North Carolina, including both microfinance professionals and students from nine area universities.

Participants heard from representatives of World Vision, the Bill & Melinda Gates Foundation, and Kiva, and a slate of high-level speakers from approximately 16 other

organizations. "Nearly every major microfinance organization based in the Pacific Northwest was involved," says Kenman Wong, conference co-chair and SPU professor of business ethics. "We are especially pleased that both faith-based and secular organizations are coming together to address an important humanitarian issue."

The idea of the conference was born when SPU student Kristin McCunnigle introduced World Vision's Brad Stave and SBE's Kenman Wong in the hope that the two organizations might find ways to collaborate. Contacts with others led to the formation of leadership committees consisting of microfinance professionals and activists, SPU faculty, staff, and students. Plans culminated in this first-ever microfinance conference in the Pacific Northwest. "I hope the conference may mobilize people to action that will be effective and lasting," Wong says.

THIRD SOCIAL VENTURE COMPETITION ANOTHER SUCCESS

SPU's third annual Social Venture Plan Competition saw 31 student teams submit designs for business ventures to help solve social problems. The annual competition, with monetary prize awards, occurred April 15. The competition is judged by local business, social service, and government executives, as well as by SBE faculty and students. This year the Evenblade team won the top \$2,500 prize. Evenblade's vision is to provide sustainable employment to ex-offenders who face high barriers to employment, and to help re-establish them in society by providing efficient and effective landscaping services to the West Seattle population. The competition's \$1,500 second prize went to the Olive Only team for their proposal to manufacture and distribute a line of high-quality potato chips and other snack food products made with olive oil to reduce obesity and improve cardiac health. Three runner-up prizes of \$1,000 each were taken by Kor Rajo (Grow Hope), The Red Kettle, and Phoenix Furniture. The Red Kettle, an ethnically inspired tea house that would work to combat human trafficking, also won the student choice award of \$500.

DISTINGUISHED SPEAKER LUNCHEON WELCOMED BOEING'S SCOTT CARSON

The popular Distinguished Speaker Series Luncheon annually brings together students, faculty, staff, Executive Advisory Council members, and other special friends of SBE to hear industry leaders share from their experience. In February 2009, Scott Carson, executive vice president of The Boeing Company and president and CEO of Boeing Commercial Airplanes, shared his "10 Leadership Lessons for a Lifetime" before a capacity audience. He received a standing ovation for his practical, timeless insights. We want to thank this year's event sponsor, AWB HealthChoice, and acknowledge our indebtedness to the Baldwin Resource Group for their sponsorship of the Distinguished Speaker Series during the past four years.

Books



THE SUBPRIME SOLUTION: HOW TODAY'S GLOBAL FINANCIAL CRISIS HAPPENED AND WHAT TO DO ABOUT IT

BY ROBERT J. SHILLER

Shiller, a Yale University economist, lays out his analysis of the worldwide financial crisis — including necessary short-term triage steps and essential long-term adjustments.



ENOUGH: THE TRUE MEASURES OF MONEY, SUCCESS, AND LIFE

BY JOHN C. BOGLE

Bogle, founder of the Vanguard Mutual Fund Group, states that the current financial crisis came about largely from a solitary pursuit of profit, which ended in greed. *Enough* calls for a return to the values of trust and professional conduct.

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

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School of Business and Economics

3307 Third Avenue West, Suite 201
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