

The Management Fellows Program

December 2010

E-NEWSLETTER

From The Director

Gary D. Lemon, Ph.D.



PHOTO BY MARILYN CULLER

We had a wonderful first semester getting to know our first-year Management Fellows who were busy with their school and program involvements. This fall's lecture series included the McDermond Honorary Lecture where President Brian Casey presented Jan Risi '81 the Robert C. McDermond Medal for Excellence and Entrepreneurship.

We are pleased to be offering a diverse array of speakers for our lecture series this spring. The McDermond Center Lecture Series consists of Clare Scherrer '91, partner and managing director, Goldman, Sachs & Co.; Carmencita "Chie" Abad, worker's advocate and former Gap sweatshop laborer from Saipan co-sponsored with the Prindle Institute of Ethics; Andrea Smiley '90, president, VMS; Peter Ruppert '86, president and CEO, American Education Group; Jack Wiley '74, executive director, Kenexa; Luke Reese '85, president, Winona Capital Management; Troy Noard '93, managing director, Frontenac Company LLC.

Companies hosting Management Fellows for the first time in the spring are Grubb & Ellis in Chicago, IL and Eli Lilly & Company, Marketing Division in Indianapolis, IN. We look forward to hearing about the student's experience at these companies. My letter wouldn't be complete without a thank you to the companies that hosted interns this fall. We sent interns to Brunswick Group LLC in New York; Cummins Inc in Columbus, IN; Independent Purchasing Cooperative in Miami; American Education Group in Grand Rapids; Russell Investment Group in Seattle; Food Services Inc. in Minneapolis; KeyBanc in Cleveland; and Cummins India Limited in Pune, India. We want to thank these companies for hosting our students and for providing them with a wonderful internship experience.

Once again this spring we will be in the midst of our biggest recruiting season for the class of 2015. We will be interviewing candidates for admission to the program in March during Programs of Distinction Weekend. If you know of a student that you feel would be a good fit for the Management Fellows Program, we welcome your recommendations and would be eager to share the benefits of the program with them.

MANAGEMENT FELLOWS PROGRAM UPDATES

First-year Management Fellows have had a great first semester at DePauw. Students learned about the internship experiences that juniors and seniors had, heard from wonderful lecture speakers and joined in on a conversation about the desirability of having one common dining area for all students.

Sophomore Management Fellows have been busy preparing for their internship placement that will begin to take place in February. Students took part in a workshop series that included sessions on interview skills, writing a cover letter and resume, and mock interviews. We would like to thank Katie Doogan '08, Ken Eitel, Ryan Miller '97, Ryan Nesbitt '06, Brian O'Neill '09, Carmeleta Rouse '02, Lisa Schlehuber '83, Sarah Schultheis '08, R.J. Talyor '02, Andrew Thayer '02 and Ryan Tinker '09 for being involved in the Sophomore Evening Workshops.

In the spring students will attend a lecture co-sponsored with the Prindle Institute of Ethics. The guest lecturer will be Carmencita "Chie" Abad, a former Gap sweatshop laborer. She will discuss the horrible working conditions she endured in Saipan. This talk should prove to encourage students to think about what responsibilities we have as citizens of the world to our fellow human beings.

The McDermond Center will be sponsoring the No Harm in Charm workshop on January 12, 2011. Topics include Ballroom Dancing, Table Manners, Interview Skills, and Networking. This year we have a special keynote session that is being presented by President Brian Casey. The Center is also planning a tour of the IPC Distribution Center in Plainfield.

Management Fellows Program

The Management Fellows Program is one of DePauw's five highly selective Programs of Distinction. It was established in 1980 to build leaders through academic and real-life experience, all within a distinguished liberal arts environment. Today, Management Fellows are prepared, confident leaders at the world's top public, private and not-for-profit enterprises.

The Robert C. McDermond Medal for Excellence and Entrepreneurship

Jan Risi '81 President & Chief Operating Officer Independent Purchasing Cooperative



Jan Risi '81, this year's recipient of the McDermond Medal, delivered the Robert C. McDermond Honorary Lecture, on November 9, 2010. Risi is currently the President and Chief Operating Officer of the Miami-based Independent Purchasing Cooperative (IPC). IPC is a supply chain management company for Subway franchises. Risi first started out after graduation with Ralston Purina Company as a commodities buyer for the feed segment of the business. While at Ralston, she entered into a career in foodservice by joining Jack in the Box as a Buyer. Not long after, she moved on to Chef America, a Los Angeles-based frozen sandwich retail. Soon after, she moved to San Francisco to work with InnoPacific Group until she was able to move to Miami to launch a co-op for Burger King.

The lecture that Jan Risi delivered allowed the audience to gain both an informative and insightful look at the Subway franchise. The first Subway restaurant was founded by a seventeen-year-old gentleman, Fred DeLuca of Bridgeport, Connecticut. Fred had been in need of enough money to attend college and was told to invest in a small sub shop. This later grew into the franchise we are familiar with today—Subway. Franchises provide a great return on an initial investment. IPC, a company that has become one of the country's largest buyers of food commodities, has a mission to help the Subway Franchise be competitive and profitable. There are over 33,000 Subway restaurants in about 93 countries. As President and CEO of IPC, Risi oversees \$3 billion in annual purchases for these restaurants. It would certainly not be an understatement to say that she has achieved a lot in establishing and maintaining her own business in an industry that is typically male-dominated.

In recent times, the method in which business is conducted has changed and Risi quickly learned that one must adapt to these changing times in order to remain competitive. Risi has ardently worked to find inventive ways to cut costs throughout the company. She has strived to efficiently move products around the country in IPC's Distribution and Logistics Department. Sustainability was another one of the many aspects that she incorporated in the plans for a more proficient means of doing things; she discovered that in most cases when care is taken to increase profitability of a company, it inevitably leads to sustainability. The changing face of marketing strategies was another topic that Risi elaborated on; more and more businesses are advertising to their target audiences with a one to one marketing technique made possible by the technological advancements in the society we live in.

In her closing statements, she emphasized the undeniable truth that the means of doing business are changing so we must as well. In order to be successful in doing so, she advised the students to be willing to learn and listen. Environmental awareness is another quality to possess to be in step with the innovation that is occurring. Risi believes that change is a tremendous opportunity and on that note she concluded her lecture and left the audience to contemplate the fun-filled future that awaits each and every one of us.

McDermond Center Lecture Series

Joe O'Leary '82, Chief Operating Officer, Sierra Systems Group Inc.

Joe O'Leary delivered his lecture that ranged from discussing the difference, or lack there of, in selling different products or services and ethical issues he's faced in his career. O'Leary has held a variety of managerial titles before becoming the Chief Operating Officer of Sierra Systems.



O'Leary touched upon his academic background here at DePauw. Even though his first semester consisted of a low GPA and no idea of what major he wanted like to pursue, O'Leary finally settled upon economics, worked hard and graduated cum laude. Just out of college, O'Leary went to work for one of the largest accounting firms, Arthur Andersen. He was partner for nine years and his journey with ethical obstacles began. During the Enron scandal O'Leary himself lost \$756,000, his job, and his capital. He said, "Really smart people can make really bad decisions in no time at all."

O'Leary then joined with a friend to start up a privately held health care company. He was senior vice president and given ownership of half of the company, but after a year and a half, O'Leary again left because of ethical issues. He to this day is still involved in a lawsuit against the company and is not backing down. O'Leary stressed the importance of standing behind beliefs. He knew he was going to lose it all again but he said a person can't continuously play defense. One must be confident that even if all is lost, education and experience can't be taken away. O'Leary's career also includes roles as Managing Director and Leader (Midwest Regional Practice) with Alvarez & Marsal, a global professional services firm; and Vice President and Managing Director of Bearing Point's Media & Entertainment practice.

O'Leary's insights and perspectives on ethics in the business world continued. Each point was strong and his stories were powerful. He also seemed to include an underlining focus on what power can do to a person and the way he was treated by his good friend at a start-up company stood as the prime example of the side effects of power and money. O'Leary's opinion is that being distinguished in a career is being able to handle adversity.

Like many other speakers, O'Leary praised the DePauw network and stressed the value of networking. His belief was that a liberal arts education leads to a better ability to deal with ambiguity.

Eric Stisser '94, SVP/Business Development, St. Louis Blues

Eric Stisser presented a lecture on the business of sports marketing. He began his talk about his ESPN internship his senior year where he learned that networking is key. He explained how important it is to stay in touch with contacts and encouraged students to write hand written notes whenever possible.



Through Stisser's persistence with his contact at the Continental Basketball Association (CBA), he got his first full time job in sports. He was in charge of business development on the sponsorship side, getting national sponsorships and television packages. Using his networking skills, Stisser stayed in contact with the VP of Sales for the St. Louis Rams. With his expressed interest in the NFL, Stisser got a job with the Rams as a sales executive, selling club and luxury suites. While there, Stisser gained a great amount of experience in sports marketing and became the Director of Corporate Sales. He also received a Super Bowl ring which he passed around for the audience to see.

In 2006, Stisser moved on from football to hockey with the St. Louis Blues as the Senior VP of Sales and Marketing. The hockey team had fallen on hard times, leaving the fan base feeling disconnected and disenfranchised. Stisser's initial goal with the Blues was to reconnect with the community. The team introduced the Youth Hockey Outreach program, which took current players and alumni to local hockey rinks to access the public. They also launched "Free Food Games" where fans enjoyed complementary concessions and reduced ticket prices as well. These initiatives gave the Blues a positive press buzz as being a fan and media friendly team. They introduced a new campaign: "Whatever It Takes," to win the fans back. There were four key pillars to this new promotion. First, increase season ticket sales; second, reconnect with the fans and the community; third, improve the relevance of the Blues; and fourth, improve customer service. The Blues obtained a better schedule with more weekend games and they created a "Fan Fest" to keep supporters interested all year round. This initiative ushered in a "Blues Revival." The Blues earned a high position on ESPN's Fan Satisfaction Survey, ranking tenth in all of pro sports.

Stisser concluded his lecture with a question and answer session. He reinforced the idea of being "polite and persistent" when networking and the value of handwritten thank you notes. Stisser encouraged students to get involved during their time at DePauw and seek out networking and internship opportunities.

McDermond Center Lecture Series

Dan Daniel '87, Executive Vice President, Danaher Motion

Dan Daniel began his lecture introducing the concept of the emerging global economy and how the global business world was changing quickly. He mentioned that he, along with other economic experts and leader, are positive about Asia's role in the future of economic growth. Daniel hypothesizes that for the first time in recent history Asia, not the US, will lead the world out of a recession back to global growth. "Globalization will be increasingly linked to Asian-ization", he said. Another point that he brought was how the 'high-end, intensive jobs' will move to Asia, not just because of cost-effectiveness, but also due to increasing technological developments in the East.



Daniel focused on some of the numbers and demographics of the emerging markets around the world. He said that large urban cities are sprawling across the emerging countries, and will continue to do so over the next decade. He also talked about the quickly growing middle-class in these economies, and the implications of that in their respective economies. Daniel stressed that demand in these emerging markets will follow similar patterns of the West, only that they will be customized to fit local need.

Daniel's lecture was very interactive when he handed out a paper for the students to examine. The paper had a simulated business situation titled "What Should Dave Do?" The situation revolved around the manager of a company, Dave, and an important decision he has to make. Dave is abroad, overseeing international operations and is told of alleged bribery and corruption committed by his star-performing employee, Mr. Chen. The question at the end was whether or not Dave should fire Mr. Chen. Daniel then asked students for their answers. Sophomore Troy Hollings said that he would fire Mr. Chen because although corruption and bribery may be prevalent in foreign countries it is not acceptable by the firm's standards. On the other hand, Nick Lucca '13 said that he would not fire Mr. Chen because there was no concrete proof to back up the allegations.

Daniel stressed the importance of having a clear understanding of values, developing strong language skills and learning a foreign language. He stated that a deep desire to learn new things relentlessly was essential to succeed. He provided advice on how students can cultivate these skills while here at DePauw through exploring various academic disciplines, learning to communicate effectively, living outside your home country, and taking some risks early. In conclusion, he reiterated that students must be excited to a part of the fast-changing world. "The world is flat," he said, "and it's only going to get flatter."

Management Fellows Capstone Course

The Capstone series continued with a discussion on leadership led by **Tom Fagan '98**, director of corporate business development at Baxter. He talked about different forms of leadership and the importance of a healthy work-climate. One memorable quote from the evening was "leadership styles drive climate, climate drives results." **Tony deNicola '86**, general partner of Welsh, Carson, Anderson & Stowe since 1994 spoke to the class about management and leadership. He talked about crucial communications, knowing the type of communication you are in, and how to communicate successfully. In his eyes, leadership is taking charge; you do not have to be in a leadership position to be a good leader. **Beth Owens '98**, co-founder and marketing strategist of BrandEra talked about marketing. She explained the need to find who your target audience is and then advertise to them. Owens talked about using advertisements and slogans to evict emotion from your audience. Shorter may not mean better when it comes to slogans. She also stressed the importance of developing a good brand logo and business card. **Ryan Tinker '09** and **Kyle Smitley '07**, discussed entrepreneurship and how young college-age students can get started. Both talked about who entrepreneurs are and how you can take ideas and turn them into something more. They ended the session by discussing why DePauw students have an advantage when it comes to being successful, and that is because of their undercover slogan: work hard, play hard. **Jeff Harmening '89**, president of Big G Cereals gave students the behind-the-scenes tour of marketing and how it can be applied to a variety of products. He talked about the importance of a brand champion and how a great brand champion excludes everyone except who that person is. **Rob Sharpe '74**, executive vice president at ConAgra Foods spoke about companies' actions, and how they can be affected by different kinds of "experts". The key takeaway from Sharpe's session was that students shouldn't expect an average career. They need to learn the finance language and get a solid foundation so that they are ready for whatever comes their way. The final guest of the semester was **Newt Crenshaw '85** who spoke about the difference between management and leadership, and uncovered the skills that make up a great "level 5" leader. He encouraged the class to think about a leadership skill that they need to personally work on. He wrapped up the session by stressing the importance of being focused on what is important and the power of being able to say "no" to the things that are not the most important.

All in all, this semester's Capstone series was a great success and everyone is looking forward to the final group presentations, featured on page 6, that are sure to be innovative and forward-thinking.

Intern Spotlight



Huyen Nguyen '13
Cummins Inc.
Columbus, Indiana

What type of company are you working for? I am working in Corporate Treasury at Cummins Inc. a Fortune 500 company. Cummins designs, manufactures, distributes and services engines and related technologies. The company serves its customers through a network of more than 500 company-owned and independent distributor locations and about 5,200 dealer locations in more than 190 countries.

What are your daily functions as an intern? As an intern, I was exposed to many areas within corporate treasury: credit, M&A, treasury operations, and capital markets. I have worked on several different projects throughout the internship. I researched and contacted Cummins' managers in eight countries on credit management certifications. I have researched credit circles that Cummins can attend to access credit information on key customers and helped issue a periodic corporate credit newsletter. I participated in a Six Sigma project to accelerate the process of consolidating accounts receivable balance and credit limit of corporate customers. In addition, I learned a tremendous amount about banking relationships through my two treasury operations projects. One of them is the global bank fees, in which I reviewed JPMorgan and Bank of America account analysis statements to identify cost savings. For the second project, I was in a team to select Cummins' North America account payable service provider. For M&A, I had a chance to work on an acquisition deal and a divestiture deal, through which I got to learn the underlying reasons of acquiring/divesting a business. I had two big projects related to leasing. One deals with calculating the Internal Borrowing Rate for more than 3000 historical leases using data pulled from Bloomberg. The other project deals with mapping 150 abstract leases with their manual tracking numbers.

What has been your favorite part of the internship? The best part of the internship is I constantly broke out of my comfort zone and surprised myself with what I can do and achieve. I started this internship, being doubtful about how I would perform. But I have grown more confident of myself during the last five months. Now, I'm fully confident that I can excel in any environment and when faced with any challenge.

Is this something that you want to pursue after graduation? This internship position allowed me to look at the company from the highest level possible. I learned about Cummins' global and long-term strategies. Additionally, Cummins is a global corporation and thus I got to work with people from all over the world. There was hardly any meeting that no one had to call in from other countries. I also worked with people from outside Cummins, including relationship managers of JPMorgan, Bank of America, and Wells Fargo. Most of all, everyone in Treasury was very helpful, considerate, and genuinely cared about my progress. All of these factors made the internship with Cummins beyond my expectation. I definitely want to work for Cummins after I graduate.

After completing Management Fellows coursework, did you feel prepared for this internship? The Management Fellows coursework certainly prepared me well for this internship. Economics courses, especially Financial Accounting and Managerial Finance have helped me understand the company's financial statements, the industry, macroeconomic climate and its influence on the company. Most importantly, a liberal arts education has prepared me to work independently, to think critically, and to communicate effectively.

Do you have any advice about interviewing for an internship that you would like to share with current Management Fellows? When interviewing for an internship, preparation is the key. Learn about the company and about yourself so that you know how to sell yourself and persuade them that you fit well with the company. Most importantly, be confident. Walk into the interview and think that you will get an offer.

Do you have any advise about interning that you would like to share with current Management Fellows? When interning, always keep a positive attitude and keep yourself excited about learning opportunities. Set a goal for yourself at the beginning will help guide and motivate you throughout the internship. Communicate with your supervisor on a regular basis to make sure that everything is on track.

Management Fellows Capstone Course Presentations

On December 9, 2010 this semester's capstone course came to a close with the class of 14 seniors presenting their group project. The goal of the project is to create something that will continue to improve the relationship between the Greencastle and DePauw communities. In attendance were Major Sue Murray; President Brian Casey; Ken Eitel of Eitel's Flowers; Carol Steele, associate dean of Academic Affairs; Tom Musser, professor of economics and management; Brad Kelsheimer, vice president of finance; Christopher Wells, vice president for communications and strategic initiatives; and the McDermond Center staff.

Arielle Babineaux, Courtney Lauer and Meghan Wolfgram created a program called L.E.A.D., Leadership Expedition Alongside DePauw. This after-school program is aimed to be something more than your typical after school program of tutoring. Their research showed that success programs improve grades, work habits, reduce students' misconduct and risky behavior, and enhance self-efficacy. The group cited many benefits of a school-university partnership that stem from the liberal arts environment of DePauw. The DePauw students participating in the program would also reap benefits of leadership skills, personal and spiritual development and learning responsible citizenship. A structure to the program was provided along with examples of programs. The programming could be provided from academic departments, student organizations and individual groups. For example; the Hap-kido Club could provide a demonstration with an emphasis on safety; D3TV could provide a tour of the studio and students could view a live show being created; the Computer Science Department could have students participate in a small project in Alice, a 3D programming environment that makes it easy to turn a story into animation. This group finished their presentation with an inspiring clip from a Ted talk about entrepreneurship and children leaving the audience feeling that they could make the impossible, possible.

Mark Branigan, Breana Buchler, Chip Davis and Lucy Grimm presented DePauw Corps, a summer internship placement program. This internship program would look to place incoming juniors who are highly intelligent and motivated in Greencastle businesses ranging from small to large companies, local government and medical services. The group discussed their vision for the program, its benefits for the students and host companies and the short and long-term goals. The four students met with several members of the DePauw and Greencastle community including President Brian Casey, Mayor Sue Murray, Ken Eitel, Steve Langerud, Amy Doan and Christopher Wells. The challenges ahead are funding, housing and marketing. Funding could be in the form of a stipend of approximately \$1000 per student. Housing may be available on campus and would cost free. Marketing posed a dual challenge of the need to convince students to stay in Greencastle and to convince a company to see the benefits of hosting an intern. This internship program would be marketed competitively to students as the first year would have possibly only 5 opportunities. These seniors feel they have the opportunity to get this launched next semester and hand it off to a new generation of students, with the help of a faculty or staff member acting as a program sponsor, before they graduate.

Patrick Geoghegan, Travis Sheppard and Foster Tidwell want to expand DePauw's sustainability initiative to ban disposable water bottles on campus into the Greencastle community. The Greencastle Bottle Company would sell reusable water bottles and distribute the profits into other projects that support sustainability initiatives in the Greencastle community. The groups overall plan is to identify target markets that will want to purchase customized water bottles; to identify a low-cost producer of water bottles; and to effectively distribute earnings. Through a survey, their market research showed that their target market is a group of individuals that do not own a reusable water bottle, are willing to pay \$5-10, and are willing to pay for a bottle that is customized for the organization(s) they participate in. Sheppard presented on the innovative ways that this bottle company could differentiate their product through QR codes, print-to-mobile marketing tools; and Tiger Tag, an interactive game that associates a student's home state or country to the QR code and students would try to collect as many as possible. Financial projections were provided that showed a profit right from the start. Moving forward it is foreseen that the business could become incorporated as a not-for-profit organization, remain up to date with the latest technologies to aid in marketing the product and continue to support sustainability initiatives in the community.

Julia Mathews, Colby Mueller, Hunter Schouweiler, and Trent Wood proposed an improved bike project stemming from the program that the Student Arts Council and DePauw Bike Club initiated in the fall of 2007 but is not active currently. This plan capitalizes on the fact the President Casey's campus plan is to create more green spaces eliminating many on campus parking lots. Research for the program's structure extended from Washington DC to London, England where students saw successful bike usage programs. The group conducted a survey to assess how many students currently have a bike on campus, how many wish they had one and how frequently it would be used. Considering how much funding could be received the group proposed to start modestly with 5 bike rental stations through downtown Greencastle, campus and the Nature Park with a vision to grow to 10 stations if funding and growth allows. The group detailed estimated start up, operational and maintenance costs for the program along with possible sources of funding. Advertising could also be a form of revenue with biweekly events being advertised on signage. CityRyde, a company specializing in bike sharing, would do the initial implementation with a local cycle shop, Covered Bridge Cyclery, provide regular upkeep and maintenance. In conclusion the group discussed the next steps to take this proposal further.

Audience members, many of them whom were involved in some of the group projects in the planning and research stages, were very excited about each of these proposed projects and hope to see them come to reality in the near future.

Capstone Presentation Pictures



Courtney Lauer '10, Arielle Babineaux '10 and Meghan Wolfgram '10 presented the project entitled L.E.A.D.



Julia Mathews '10, Trent Wood '10, Hunter Schouweiler '10 and Colby Mueller '10 presenting their Bike 2.0 Project.



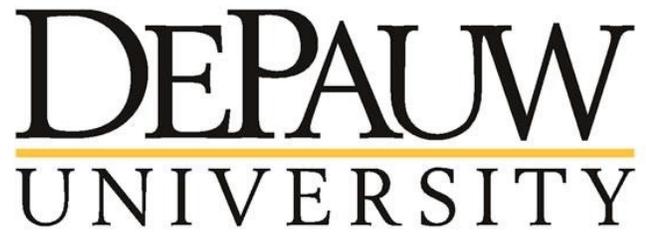
Foster Tidwell '10, Patrick Geoghegan '10 and Travis Sheppard '10 speaking of their proposed business Greencastle Bottle Company.



Chip Davis '10, Lucy Grimm '10, Breana Buchler '10 and Mark Branigan '10 before presenting DePauw Corps.



Audience members Brad Kelsheimer (not pictured), President Casey, Ken Eitel, Carol Steele, Mayor Murray, Tom Musser, Susan Lemon and Christopher Wells at the Capstone Course presentations on December 9.

A faded, yellow-tinted image of a large, classical-style building with a clock tower, likely a DePauw University building, is visible in the background on the left side of the page.

The
Management
Fellows Program

This newsletter is published by The Robert C. McDermond Center for Management & Entrepreneurship, DePauw University, 408 South Locust Street, P.O. Box 37, Greencastle, IN 46135-0037.

Gary D. Lemon, Ph.D., **director**
Joanne Mijic, B.A., **assistant director**
Sandy Smith, **program director**
Photographers: Richard Field, Marilyn Culler, Sandy Smith

Phone: 765-658-4024
Fax: 765-658-4856
E-mail: mgmtfellows@depauw.edu
Website: www.depauw.edu/honors/management