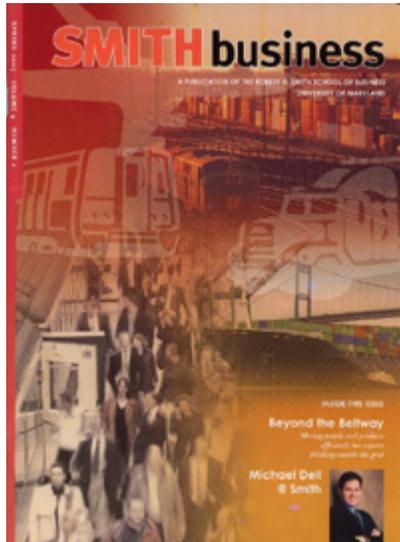


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Beyond the Beltway

Transportation issues touch everyone, from the weekday commuter to the global business executive.

Smith's EMBA Program Launched

New executive MBA program delivered stateside and in Beijing.

Spotlight: Doing Business Doing Good

Successful entrepreneur Stephen Edelman, MBA '75, has helped improve the lives of millions of people around the world.

Dean's Column

Leaders for the Digital Economy.

Real Time

America's railroads are in their second renaissance, notes CSX Corporation president and CEO, Michael J. Ward '72.

Connections

The Smith School's longstanding relationship with Accenture is a model for corporate and business school partnerships.

Academic Focus

An innovative collaboration between Montgomery College and the Smith School benefits the schools and their students.

Faculty Up Front

Virtual teams are an organizational phenomenon born of the global, networked business environment. They're also the subject of a Smith professor's ongoing research.

Alumni News

Gala dedication of the new wing. Annual chapter golf tournament.

Beyond the Beltway

Moving people and products efficiently and economically has transportation experts thinking outside the grid

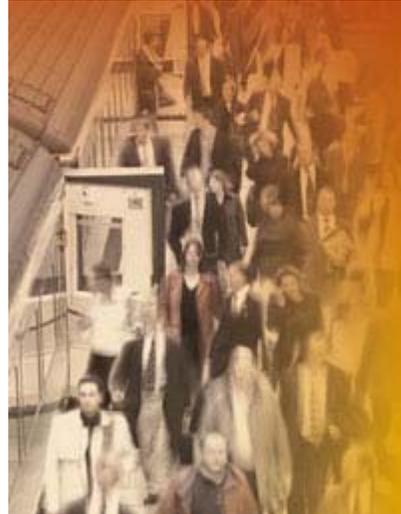
By Rosemary Faya Prola

For many of us, our weekday mornings are incomplete without a traffic jam. Sitting amidst the congestion on suburban Maryland's Capital Beltway, or the Massachusetts Turnpike, or another major thoroughfare, we wonder why someone doesn't DO SOMETHING ABOUT THIS.

It's probably the only time during the day we think about transportation issues, except for those occasions when we pass through airport security checkpoints.

But, while we're focused on getting from Point A to Point B quickly, business logistics and transportation experts are considering more universal concerns.

They're studying how business and government can make the movement of goods and people in a dynamic, global marketplace more efficient and economical.



Old Problems and New Challenges

While the morning commute may try our patience, traffic congestion has a real cost. "From a logistics perspective, congestion makes everything more expensive," notes Phil Evers, associate professor in the logistics, business and public policy department at the Robert H. Smith School of Business. Evers has conducted research on operational and service issues affecting intermodal railroad-truck transportation.

"Transportation congestion requires distributors or retailers to have more inventory. Congestion means that they pay stock people to stand around or truck drivers to sit behind the wheel," Evers explains. The cost to suppliers, shippers, and distributors is ultimately passed on to customers, with logistics cost as a percentage of product price varying widely by item. In 1999, total logistics costs comprised 9.9 percent of the nation's gross domestic product (Robert V. Delaney, Cass Information Systems).

Expanding mass transit systems could help alleviate roadway congestion, but land use patterns in the United States work against it, according to Martin Dresner, associate professor of logistics and transportation at Smith. "U.S. cities are generally surrounded by low-density suburbs, which makes it very expensive to run any mass transit there," he says. "These systems can't offer what people want in urban transit: few stops and no waiting times." Another challenge is that, increasingly, U.S. workers commute from their suburban homes to their suburban workplaces. The Maryland Comprehensive Transit Plan (2000) states that, in the Baltimore and Washington regions, vehicle miles of travel (a measure of roadway use) will increase a total of 65 percent between 2000 and 2020

(Metropolitan Washington Council of Governments and Baltimore Metropolitan Council data).

Congestion, the result of demand exceeding capacity, is not confined to roadways, of course. “While the amount of trackage in use has decreased, the amount of rail freight has increased, meaning the remaining lines are used more,” Evers states. “Moreover, every time a commuter train uses a track, there’s one less operating slot for freight trains.” For all practical purposes, the high cost of maintaining and building railroad infrastructure prohibits new construction as a means of reducing rail congestion.

Inadequate and aging transportation infrastructure and the lack of funds to support it appear on every expert’s list of critical transportation issues. “Congestion results from our inability to maintain and build infrastructure to keep up with population growth and economic growth,” states Curt Grimm, professor and chair of the logistics, business and public policy department. Grimm has conducted research on the interface of business and public policy with strategic management issues throughout his career, with a particular interest in the rail industry. “We need governments and companies working together and an informed population to build and more efficiently use infrastructure,” he advises.

While congestion and infrastructure issues are “old” transportation problems, the digital economy has created new challenges for the industry.

“Ten years ago, transportation was the replenishment of distribution centers and warehouses,” says Bill DeWitt, teaching professor in logistics, business and public policy and a former railroad executive. “But, business people have discovered that filled shelves (inventory) are very expensive.”

Facilitated by the Internet and IT applications, the trend is JIT (just-in-time) inventory, ‘make it to order,’ and, when possible, ship directly to customers. “In effect, for a business person, transportation is now your inventory,” DeWitt says. “The tremendous new visibility of shipping (think order confirmation and real-time tracking) and small shipment sizes have set a whole different expectation for the field.” He notes, “Transportation has always been critical, but now it has a whole new role.”

Further, as advances in technology and expanded transportation networks have served to facilitate global commerce, the worldwide market has, in turn, had a significant impact on the transportation industry. In one of the global study trips coordinated by Smith’s Center for Global Business, DeWitt and a group of Smith MBA students traveled to Chile over spring break this year to explore logistics and supply chain issues surrounding the transport of temperature-controlled products such as fruit, vegetables, wine, and fish to the United States.

“In the global business environment, physical flows (parts and products) have to be tremendously agile,” DeWitt says. “E-commerce and an integrated supply chain have set new requirements for transportation.”

“Today, every manufacturing facility has a ‘closing date,’” he explains. “If your markets and sources change, you move the factory.” As part of this trend, the professor cites Black & Decker’s recent shift of manufacturing operations to Eastern Europe, China, and Mexico, and the movement of engineering and call centers to India by software companies.

Solutions Lie in Innovation, Partnerships, and IT

As frustrated commuters, we have several options for solving our personal transportation issue. We can utilize the mass transit system, if one exists in our area. If permitted, we could adopt a flexible work schedule, and travel to and from work before or after rush hours. Carpooling, promoted both by organizations and governments (blessed HOV lanes), is another choice that can save wear and tear on our psyches and help alleviate gridlock. Finally, we could become telecommuters, using our PCs and advanced telecommunications to work at home, at a company satellite office, or at a regional telecommuting center.

Our personal choices, which involve rethinking old habits, building new partnerships, and utilizing technology, reflect those options available to the transportation industry to deal with old problems and new challenges.

Pricing transportation correctly would help reduce congestion, according to logistics and transportation professor, Martin Dresner. For example, drivers could be assessed a variable toll depending on their travel time. It’s an innovative practice currently utilized on Highway 407, north of Toronto. “The technology exists,” Dresner states, “and the practice solves a couple of problems: It provides funds for infrastructure support and reduces traffic congestion.” A similar variable pricing system could also be employed at airports. “Currently, takeoff and landing fees are based on historical costs,” he notes. “Higher costs during heavy travel periods could help reduce congestion during prime time.”

Smith School Professor Michael Ball is helping the government and the airline industry do something about airspace congestion. Ball, Orkand Corporation Professor of Management Science and director of research at Smith, serves as co-director of the National Center for Aviation Operations Research (NEXTOR), a jointly funded university, industry, and government research organization created by the Federal Aviation Administration. He also directs NEXTOR’s main research project: the use of collaborative decision-making (CDM) models to help improve air traffic management (ATM).

CDM has dramatically transformed the operation of Ground Delay Programs (GDP)—a mechanism used by the FAA to decrease the rate of incoming flights into an airport when arrival demand is projected to exceed capacity. Before CDM, the FAA exercised total control over GDP, by assigning arrival times to individual flights. Under CDM, the FAA allocates arrival “slots” to airlines and each airline controls the assignment of its allocated slots to its own flights. “In this way,” Ball states, “the FAA has responsibility for managing total system throughput and equity among competing user groups, while the

airlines can control decisions involving economic tradeoffs.” CDM is supported by a communications network for real-time information exchange between the FAA and the airlines and a common decision support tool.

NEXTOR researchers are now working on a next-generation CDM model, with applications beyond GDP to the comprehensive management of air traffic. CDM has generated strong interest within the aviation community on the importance of equity in resource allocation methods. This spring, Ball and colleagues will offer a short course for FAA and industry managers, “Equity and Fair Resource Allocation in Air Traffic Management.”

Re-thinking customary practices could also benefit shippers and railroads. In a recent study on competition in the deregulated U.S. railroad industry, logistics professor Grimm calls for better cooperation among rail companies and shippers, and a new role for government as key to “getting the industry moving on a healthy basis.” According to Grimm and co-author Clifford Winston, railroads and shippers would be acting in their own best interests if they move to resolve some of their post-deregulation disputes. And the federal government could play a more constructive role in the railroad-shipper equation by helping to fund rail infrastructure improvements.

“We need to be more creative about partnerships,” Grimm states, noting that the new, non-adversarial relationship he proposes is the “modern way,” and modeled after the trend of integrated supply chain management.

As part of this trend, transportation is encompassed within the supply chain (the entire distribution channel from raw material to ultimate customer across firms). Thomas Corsi, Michelle Smith Professor of Logistics at Smith, has closely followed changes in the transportation industry over the past decade. Corsi has written more than 100 articles on logistics and transportation, and serves as an associate editor of the *Logistics and Transportation Review* and on the editorial review board of the *Transportation Journal*.

“Previously, companies focused on direct transportation rates and charges,” Corsi says. “The move to the integrated supply chain means the focus has shifted to include all costs associated with moving goods and materials from suppliers all the way to the customers.”

This transformation has been fueled by advances in information technology and telecommunications that allow real-time information sharing among all members of the supply chain. As co-director (with Sandor Boyson) of the Supply Chain Management Center (SCMC) at the Smith School, Corsi has studied the impact of integrated supply chain management and the technologies that are transforming the supply chains of the digital economy.

“Companies operating in the global business environment can take advantage of enhanced bandwidth and advanced communication capabilities to effectively manage geographically dispersed systems. With real-time information sharing, organizations can realize significant efficiencies internally,” Corsi reports. “They can also share

information with supply chain partners, like transport carriers, to get materials to manufacturers or products to market when needed.

“While the vision is more complete than the operation,” he says, “there are leaders, such as Dell and Apple, that are models of efficiency.”

With its build-to-order and ship direct to customer business model, Dell Computer Corporation illustrates some of the new demands on freight transportation discussed by Bill DeWitt and Jennifer Clinger, a transportation planning consultant, in a paper they presented at the annual meeting of the Transportation Research Board in 2000. DeWitt and Clinger discussed factors affecting intermodal freight transportation in the 21st century. Intermodal freight transport is defined as the use of two or more modes—air, inland water, ocean, pipeline, rail, or road—to move a shipment from origin to destination.

DeWitt and Clinger note, “The comprehensive ability to understand...total supply chain capability and performance will place new demands on supply chain participants including the transport system.” Helping transport operators meet this demand, they state, will be the implementation of new operational and information/communication technologies, such as RoadRailer, a blended rail-truck technology that permits lower cost transfer between modes. Future technological developments can also help transport carriers overcome limitations imposed by increasing freight volume and a static infrastructure.

Work in Progress

At the start of the 21st century, the issues facing the transportation industry are complex, encompassing both continuing problems like congestion, and new challenges resulting from a dynamic, global marketplace. Fortunately, there are many people considering these issues.

“Change won’t take place overnight,” Curt Grimm confides. “It’s the role of academia to ‘open the envelope’ and push new ideas.”

Then, it’s up to governments, businesses, and an informed public—including frustrated commuters—to continually make the choices that make the system better, for everyone.

Safe Landing for the Airlines?

The many problems facing the nation’s airline industry continue to grab headlines. As *SMITHbusiness* went to press, United Airlines and US Airways had declared bankruptcy, and American Airline’s future was in doubt. Two Smith School logistics and transportation professors who have studied the airline industry for many years, Martin Dresner and Robert Windle, have some predictions on how the airlines might land.

“Airlines are not very profitable in the best of economic times,” notes Windle. “Demand is never enough to cover their long-term cost.” The currently troubled airlines, he believes, will renegotiate work rules and labor costs to compete. He also expects that they

will shed some of their routes, either getting their commuter affiliates to pick up these routes or selling them to regional carriers, both of which have lower labor costs and fly smaller aircraft.

In the '80s, the airline industry felt a similar economic squeeze, Dresner notes. The result was that Pan Am and Eastern went out of business, while Continental successfully reorganized.

Smith Launches EMBA Program in U.S. and China

The Smith School began offering its first executive MBA (EMBA) programs in January of this year, with one cohort on the College Park campus, and the other, 5,000 miles away, in Beijing, China.



Both programs begin with the Smith School's strong MBA core as the foundation, and integrate four critical mastery skills courses throughout the curriculum. The mastery skills courses focus on the areas of technology, communications, ethics and corporate citizenship, and leadership and creativity.

“At a time when corporations are focused on managing costs more effectively, it is critical that EMBA programs deliver exceptional and immediate value to sponsoring firms. The Smith School program does that,” states Dean Howard Frank. “Our EMBA is based on a systematic approach to management, and it is relevant, practical, and applicable from the moment participating executives walk out the door.”

EMBA programs incorporate an action-learning engagement project for the sponsoring company. “The action project allows enrolled executives not only to gain valuable skills and knowledge, but to tackle real issues currently facing their particular companies,” says Scott Koerwer, associate dean and director of the Smith School's Office of Executive Education. “Whatever issue is selected, whether it's the introduction of a new product, or even developing a merger strategy, executives will carry out projects that provide real benefit to their organizations.”

The action-learning project accounts for nearly 20 percent of the curriculum or approximately 10 of the 54 credits required for the degree.

The Smith School has partnered with China's University of International Business and Economics (UIBE) to deliver its EMBA program in Beijing, under a new entity called the “SINO-US School of International Management (SIM).” The Smith School is one of just a handful of U.S. business schools authorized to deliver an executive MBA program in China.

Twelve Smith School faculty members will travel to China over each 17-month period to participate in the Smith EMBA@SIM. Smith faculty will teach the majority of the courses, with the remainder taught by UIBE faculty. The degree awarded will be an EMBA from the University of Maryland's Robert H. Smith School of Business.

“This initiative is part of the Smith School's strategy to build innovative global alliances

designed to meet the rapidly changing needs of the world's business education marketplace," says Frank.

Anil K. Gupta, Ralph J. Tyser Professor of Strategy and Organization at the Smith School, is the academic director of the EMBA program. The program's advisory board includes top executives from major Chinese business organizations (see list below).

There are 16 executives participating in the first domestic EMBA program and 70 participants enrolled in the China program. The next domestic EMBA program begins in late August, with as many as 35 participants. The application deadline is August 1. The next China program, which begins in November, will be customized for a public company and will enroll approximately 50 students.

Doing Business Doing Good By Lisa Gregory

As co-founder and president of the RONCO Consulting Corporation, an international professional services firm, **Stephen Edelmann** has traveled to over 50 countries during the last two decades. And despite the many different people he has met and cultures he has experienced, one factor remains constant.

“Whether you are in Jamaica, the Sudan, the United States, or Afghanistan, entrepreneurs are entrepreneurs,” he says. “They see business opportunities and have a vision and a desire to succeed. This never changes.”

It is an outlook Edelmann himself shares. He is a successful entrepreneur who has been drawn to humanitarian causes in building his business and career. “I have always been interested in other cultures and the issues that surround economic growth and development in those cultures,” he says.



Through his work with RONCO, Edelmann and his colleagues are providing advisory, training, implementation, and management assistance to developing countries around the world. Since it began in 1981, the company has worked on more than 300 projects in the areas of agribusiness, private sector development, privatization, commodity procurement services, and most recently, in humanitarian demining/ unexploded ordinance (UXO) disposal.

The services offered through RONCO have expanded as different needs have arisen internationally, such as the increasing need for humanitarian demining in post-conflict countries like Afghanistan, Mozambique, and Rwanda “In the business world,” says Edelmann, “you have to be able to adapt and recognize an opportunity and seize it.”

Initially, however, Edelmann was drawn to social issues. A native New Yorker, he studied political science at Miami University in Ohio. After he graduated in 1966, he went to law school for a year, “But it was like oil and water,” Edelmann states. After a stint in the Army, he decided to go to graduate school in business. He chose the University of Maryland.

“Getting my MBA at Maryland was a major step for me from a growth-knowledge standpoint,” says Edelmann. “I came to really understand what it takes to run a business.” His wife, Jacqueline, is a 1977 graduate of the University of Maryland University College.

After receiving his MBA in 1975, Edelmann took a job with a small company that provided international training and technical assistance focused on economic growth programs. However, he and a colleague decided that they would strike out on their own. “There were not a lot of firms that could provide good technical services in these areas,” Edelmann recalls.



In its early days, RONCO, through contracts with the U.S. Agency for International Development (USAID), was involved primarily with providing technical assistance and training throughout Africa, Latin America, and the Caribbean. The company broadened its efforts, however, in 1985, when called upon to provide humanitarian relief services after an earthquake devastated El Salvador. “We assisted in rebuilding schools, outfitting them with desks and chairs, procuring and distributing textbooks,” says Edelmann. “It was rewarding

work with immediate results.”

In 1989, RONCO signed a contract to assist USAID in providing cross-border humanitarian assistance to Afghanistan during the Soviet-Afghan war. Later, RONCO staff that had worked with mine detection dogs in Vietnam approached USAID about starting a similar program for the Afghans. The Thai government, whose own successful dog mine-detection program was established with assistance from the United States, was asked to help with the Afghan program.

“They donated 14 dogs, as well as trainers,” says Edelmann. This pilot program proved so successful that USAID asked RONCO to develop it further. “When we left in 1994, there were 92 dogs and a fully functioning administration, finance, logistics, and operational organization in place employing over 300 staff,” Edelmann states. “Prior to 9/11, this organization had grown to be the largest civilian employer in Afghanistan with over 4,000 employees.”

From there, RONCO won a demining contract for Mozambique. “We were asked to clear 2,200 kilometers of road so that more than one million refugees could return to their homes after the civil war,” says Edelmann. This was accomplished at a more than reasonable cost, 31 cents a square meter, compared to the United Nations standard of \$1.50, according to Edelmann.

Although demining/UXO clearance was not part of RONCO’s first decade of operations, today it is a major part of the company’s portfolio. Since receiving a five-year, \$250-million-maximum contract from the State Department in 1999, RONCO has assisted 37 countries in demining efforts. “Until you have been in a mined area, you can’t really understand the impact it has on people,” says Edelmann. “We offer them the opportunity to go back to their daily lives without the worry and fear of stepping on a mine.”

RONCO's earlier business efforts have continued to flourish. For example, the company recently was successful in assisting Egyptian growers to profitably exploit their fresh horticulture production to the point where that industry's exports are likely to top \$1 billion by the end of the decade. Then there was the equally successful USAID-sponsored land privatization program in the Ukraine, completed in 2001. "We were helping to take state-owned land and give it back to the people," says Edelman.

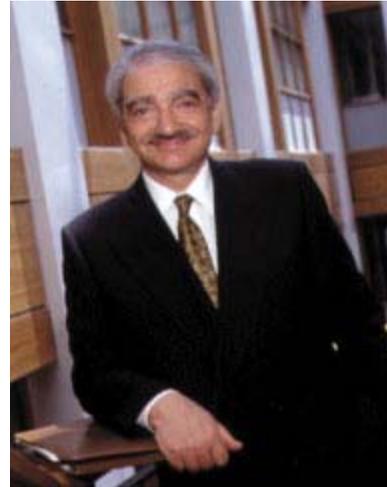
He adds, "Our work is about positive, permanent, and self-sustaining change. And, when we achieve that, nothing could be more satisfying."

Dean's Column

Leaders for the Digital Economy

by Dean Howard Frank

Since joining the Robert H. Smith School of Business in 1997 as dean, I've worked with our internal and external audiences to position the school as a leader in management education and research for the digital economy. It was clear six years ago, and it is clear today, that the school's continuous advancement depends on our ability to enable Smith students and corporate partners to succeed in a complex, fast-moving economy fueled by worldwide information networks.



As articulated in the school's vision: "The extraordinary technological developments of the last decade are spawning new rules of economic engagement . . . The rapidity and volatility of technical, knowledge, and market changes require leaders of global businesses that are highly adaptive and receptive to new and complex information.

"At the Smith School, we are charting a course to advance business thinking and education for the netcentric era."

Working to realize this vision, the Smith School has been transformed into a vibrant community of leaders dedicated to advancing business in the netcentric era. To highlight our strategic direction more sharply, we have adopted a tag line: "Leaders for the Digital Economy."

The new tag line is a simple yet powerful phrase, fully aligned with the school's strategic direction.

Furthermore, "Leaders for the Digital Economy" focuses on people, communicating that we are a community of leaders. As world-class teachers and researchers, Smith faculty members are knowledge leaders, creating knowledge that is helping to shape the business practices of the networked global economy. In each issue of *SMITHbusiness*, we highlight some of this work. For example, in this issue, you'll read about one professor's research on building virtual teams, and another's work on enhancing B2B relationships.

The Smith School is preparing its students to become leaders in the digital economy. Smith students are thoroughly grounded in core management knowledge and skills. And, no matter what fields of study they pursue, they gain an understanding of the value of harnessing, managing, and applying technology to innovate and help organizations achieve competitive advantage. This gives Smith graduates a competitive edge, whether they are Wall Street analysts, budding entrepreneurs, e-marketers, or management

consultants.

We offer our alumni and other corporate clients a comprehensive portfolio of education and services, enabling them to lead in the digital economy. Among these offerings are our two annual events: the **Netcentricity Conference**—this past April headlined by Michael Dell—and the CIO Forum. Other offerings include customized and open-enrollment programs presented by Smith Executive Education, and a host of workshops, seminars, consulting, and research services provided by our **Dingman Center for Entrepreneurship**, and our centers for: e-Service; Electronic Markets and Enterprises; Global Business; Human Capital, Innovation, and Technology; and Supply Chain Management.

“Leaders for the Digital Economy” evokes the school’s strategy. It builds on our existing branding efforts. And it captures and defines what the Smith School is today, as well as what it aspires to be.

America's Railroads: Helping To Keep The Nation Strong for 175 Years

By Michael J. Ward '72
Chairman, President, and CEO
CSX Corporation

Rail of the Past

Since the first B&O train whistles blew in Baltimore in 1827, America has depended on railroads for the movement of goods and people and as a catalyst for national prosperity. With the advent of the nation's interstate highway system in the 1950s, however, people moved more by car and goods moved more by truck.



Railroads weren't exactly being put out to pasture, but many thought they had become a Model T in an era of super-charged V-8s.

The true potential of the rail industry was unleashed in 1980, when the modern rail industry, as we know it today, began with the passage of the Staggers Act. This sea-change in federal policy mandated the deregulation of the rail industry and freed the industry from many of the shackles of government control that were quickly driving it into bankruptcy, and driving more and more freight onto the nation's highways. One industry observer called the period following Staggers the "Rail Renaissance." Service and safety improved, profits increased, and customers began looking again at the rails as a means to move their freight.

The Renaissance stalled, however, in the late 1990s following three major industry mergers: Union Pacific and Southern Pacific; Burlington Northern and Santa Fe; and CSX Transportation (CSXT), Norfolk Southern, and Conrail. The industry, like the nation, was jolted by the difficulty of the mergers, which resulted in service deteriorating, costs increasing, and operating ratios spiking. Railroads' market share of intercity freight traffic dropped from 13.9 percent to 9.9 percent, where it remains. Many dissatisfied customers found transportation alternatives while the industry worked through its service challenges.

Rail Today

Following the mergers and the difficulties that ensued, a determined effort was made by the industry to restore service levels and return freight to the rails. The success of the effort has been dramatic: at CSXT, for example, statistics for the past three years show that train velocity is up 24 percent; on-time train departures are up 77 percent; and on-time train arrivals are up 113 percent. As a result, during the past two years, CSXT alone has been successful in converting 800,000 truckloads of highway freight to rail, and in 2002, attracting 500 new-to-rail customers. Similar accomplishments are the norm throughout the industry.

The Rail Renaissance is Back on Track

The nation's railroads are becoming smarter, stronger, and more focused on their customers' needs than ever before. The industry is aggressively taking actions that make

service more reliable and processes easier to use. For example, at CSXT we are:

- surveying customers on nearly every aspect of our service and procedures to develop action plans for further improvements;
- introducing a number of advanced operating technologies that will enhance performance; and
- simplifying business transactions through our Web site, ShipCSX.com, so our customers can obtain instant pricing information, order cars, and track and trace their shipments.

These advances are occurring throughout the rail industry, and they must continue in order to capture a portion of the trucking industry's \$350-billion market.

Why Not the Best

Despite the challenges of the past two decades, the American freight rail industry is the envy of the world. It is also the largest, moving more than 40 percent of all domestic freight on over 173,000 miles of track. The industry will prosper only as it attracts new business, reduces costs, and maintains its commitment to safety. The industry also must work closely with federal legislators on public policy, specifically engaging their support to repeal the discriminatory 4.3 cents per gallon fuel tax, paid only by railroads and barge companies, and ensuring that re-regulation of the industry is not fully advanced in Washington.

CSXT will continue to do its part in helping the industry grow and contribute to the nation's economic vitality. It's our vision to become "the safest, most progressive North American railroad, relentless in the pursuit of customer and employee excellence." And it's a goal worth achieving.

Michael J. Ward was named chairman and CEO of CSX Corporation on January 31, 2003. CSX Corporation operates CSX Transportation, Inc. (CSXT), one of the largest rail networks in the eastern half of the United States, and also provides intermodal, domestic container shipping, and global container terminal operations. Ward earned his bachelor's degree from the University of Maryland business school in 1972, and his MBA from Harvard in 1976. He began his CSX career as a research analyst for Chessie System in Baltimore. Ward served as president of CSXT from December 2000 to July 2002 when he was elected president of CSX Corporation, a position he still holds. In November 2002 the student logistics, transportation, and supply chain management organizations at the Smith School named Ward "Person of the Year."



Constant and Committed

Accenture's partnership with the Smith School has flourished through the years

By Anne J. Moultrie

As a University of Maryland freshman, Cris Parcelles met Thomas Healy, an Andersen Consulting representative. Healy visited the campus from time to time to offer members of Parcelles' business fraternity, Delta Sigma Pi, a coveted glimpse of the consulting world.

Today, Healy, MBA '79, is a managing partner in the Washington, D.C., regional office of Accenture in Reston, Va. (Andersen changed its name to Accenture in 2001.) Parcelles '92 is a senior manager in the energy market unit of that same office. "I hired him," Healy says proudly of Parcelles. "He is one of my success stories."



Wearing a University of Maryland sweatshirt, Accenture senior manager Cris Parcelles '92 talks with Smith undergraduates at a March 8 leadership conference sponsored by his company.

Since graduating, Healy has been instrumental in developing an active partnership between the Robert H. Smith School of Business and Accenture, a world leader in management consulting and technology services. He is vice chair of Smith's Board of Visitors, a group of senior-level volunteers who advise the school on its relationships with the corporate community. He has served as a mentor to Smith students and as a judge for the school's annual MBA Case Competition.

Healy also has recruited University of Maryland students for his company since 1984. About 180 Maryland alumni currently work for Accenture in 16 offices, 133 of them in the D.C. office.

"It's important for our organization to support schools like Maryland," says Healy. "We need good talent and we can find it at Maryland."

Leading Accenture's University of Maryland team is Ab Krall '81, a partner in the D.C. office. Krall is president-elect of the Smith alumni chapter and also serves on the Dean's Advisory Council.

Krall talks about the value of the Accenture-Smith School partnership from two perspectives. "On a purely business level," he says, "it's important for Accenture to be involved with the Smith School. We are trying to attract the best and brightest students to Accenture; therefore, we need to be involved to know who they are."

"On an emotional level, people just like to do this (volunteer). It's not so much the business benefits, but rather the satisfaction you get from helping others."

Says Howard Frank, Smith School dean: “The value of Accenture’s work with the Smith School is immeasurable. Our relationship is a true model for corporate and business school partnerships.”

Thanks to alumni like Krall, Healy, and Parcelles, and many others within the company, Accenture’s relationship with the Smith School has evolved from a primary focus on recruiting to also include increasing the students’ workplace readiness. This multi-faceted partnership includes Accenture’s sponsorship of student consulting projects and of the MBA Case Competition. Other financial support from the company and its employees has funded scholarships. Dan Rice, a 1991 University of Maryland architecture graduate, has coordinated Accenture’s participation in the school’s annual fund for several years.

Taking its commitment another giant step, Accenture in 2001 launched its Corporate Advisor Program to mentor Smith student organizations. David Witkin, a 1995 university speech graduate, is Accenture’s lead corporate advisor. In addition, many Accenture employees work with Smith MBAs and undergraduates through the school’s Alumni Mentor Program.

Just this past March, Cris Parcelles spent a Saturday in Van Munching Hall, helping to lead the undergraduate program’s Emerging Leaders Conference, sponsored by Accenture. The conference joined talented Smith freshmen and upperclassmen to help them develop their leadership, organizational, and managerial skills.

Parcelles led a simulation exercise that required student teams to create a new student organization for the business school, develop a mission statement, elect officers, organize club activities, and manage crisis situations.

“The goal of the conference is to engage our future business school leaders in an action-learning session,” says Parcelles. “By getting freshmen involved in the student organizations and activities, we are better preparing them to take on leadership roles as upperclassmen.”

In line with its goal to help prepare Smith students for workplace success, Accenture in fall 2002 sponsored three other undergraduate activities: the Leadership Retreat for student club officers, QUEST Senior Retreat, and Minority Leadership Retreat. Mike Bulger, MBA ’93, of Accenture’s D.C. office, a longtime Smith volunteer, helped to shape these events.

Simone Stewart ’00, a consultant, and Christopher Greer, a partner, both of Accenture’s D.C. office, lent their expertise to lead the minority retreat. Greer is a 1998 Maryland computer science graduate.

“I like working with members of the Smith Black Business Association (BBA) and others at the school a lot,” says Stewart, who was BBA president in 1999-2000. A mentor, Stewart meets regularly with BBA members, helping to prepare them for the corporate

world and to strengthen their student organization. “Many of us at Accenture still have our personal ties to the university and we want to give back.”

In recognition of Accenture’s significant role in advancing the school and its students, the Smith School for the second consecutive year recognized Accenture as its “Employer of Distinction.” The honor was presented at the Third Annual Undergraduate Awards Banquet in May.

“What Accenture has done is elevate the meaningful preparation of our students for leadership roles within the school and beyond,” says Patricia Cleveland, assistant dean, undergraduate studies. “Just since last fall, we’ve experienced tremendous benefits: stronger student organizations and stronger leadership and organizational skills among our student body.”

Academic Partnership Benefits Students and Institutions

The Smith School of Business and Montgomery College team up to create a win-win situation

By Rosemary Faya Prola

For many years, community colleges have served as an important source of students for baccalaureate business programs. Articulation agreements, which delineate the course work that will be accepted toward degree requirements at four-year schools, help to facilitate the transfer of students.

However, increasing demand for admission to the most selective undergraduate business programs has led to strains in the relationships between some two- and four-year schools, already wary of each other as a result of the institutions' basic differences in mission and structure.

How to solve this dilemma? Build a program at your community college that attracts excellent students. Challenge them with honors course work. Give them outstanding opportunities to develop their business skills. Then, work with a top business school, like the Smith School, to create a partnership that will ease the transfer process and help the sending and receiving institutions attract outstanding students.

In 1999, Montgomery College, a two-year public college with three campuses close to the University of Maryland, College Park, established an honors program for second-year business students, the Macklin Business Institute (MBI), with a \$1.26-million gift from Gordon and Marilyn Macklin. In addition to full scholarships, Macklin Scholars receive mentoring from Montgomery College faculty and from local executives, and every student serves at least two months in a business internship.

The college invited Smith School Dean Howard Frank to join the MBI Board. "He accepted, and seemed to like what he heard about our plans," recalls Jeffrey Schwartz, Montgomery College professor and director of the Macklin Business Institute. "In the three years since then, our schools' relationship has blossomed," notes Patricia Cleveland, assistant dean for undergraduate studies at Smith. The program now serves as a model for other two- and four-year institutions.



Macklin Scholars at Montgomery College, Carolina Lasso (l) and Michael Somerville have continued to excel at the Smith School of Business. A junior, Lasso is a vice president of the Global Business Society and maintains a 4.0 GPA. Somerville was named Top Graduating Senior in Decision and Information Sciences this spring. In August, he'll join Lockheed Martin as an associate systems engineer.

The first class of Macklin Scholars matriculated at Smith in fall 2000. Their record demonstrates the partnership's benefits. While the grade point averages (GPA) of community college students typically decline dramatically in the first year of transfer, Macklin Scholars have distinguished themselves among the top Smith students, in terms of scholarships and awards.

"Macklin students are also actively involved in 'college life', taking on leadership positions in student organizations, participating in special programs and activities, and maintaining close contact with each other as they progress toward their degrees," Cleveland states.

The academic abilities and special achievements of many of the Macklin Scholars, and their potential contribution to the University of Maryland and society, have been recognized with the university's highest scholarship awards, including the Tyser Regents Scholarship, the Maryland Transfer Merit Scholarship, the Smith School Mullen Scholarship, and the Maryland Business Transfer Scholarship.

The recipient of a Tyser Regents Scholarship, Carolina Lasso is a former Macklin Scholar now in her first year at the University of Maryland. Lasso is studying international business and completed her first semester with a 4.0 GPA.

"I applied to the Montgomery College honors program because it offered everything I was looking for as a high school graduate," Lasso says, "including a small community, interdependent studies, a challenging curriculum, a full scholarship, close relationships with faculty, and honors classes.

"I was a little nervous when I transferred here, because I thought the size of the university was going to be overwhelming, yet everything has been great so far," she states. "What I like most about the Smith School are the resources and opportunities we have. For example, I am an officer of the Global Business Society and try to attend other organizations' meetings. I am also planning to study abroad, and I found the Center for Global Business to be a helpful resource."

The Macklin Business Institute continues to flourish at Montgomery College, providing business honors students with new opportunities, including the launch of an MBI-run gourmet coffee business on campus. And the relationship with the Smith School continues to prosper.

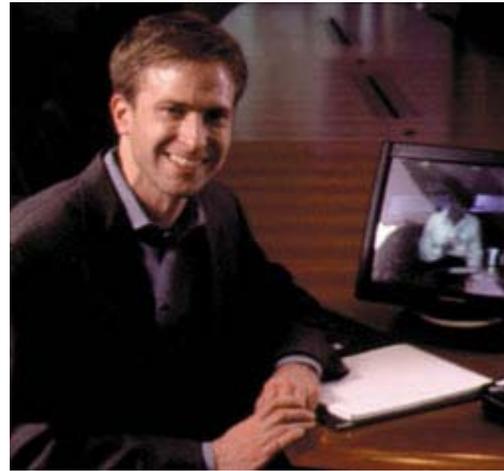
"The trusting partnership we have developed has proven a fertile ground for improving communications between the two schools," Smith's Cleveland states. "As a result, we have been able to consult on curricular changes and ensure a smooth transition for transferring students."

Schwartz and Cleveland presented a workshop on the schools' successful partnership at the 2002 AACSB International Undergraduate Programs Conference in St. Louis last fall.

Building the Effectiveness of Virtual Teams

By Rosemary Faya Prola

Today's global business environment and advances in communications technology have contributed to the creation of a new organizational phenomenon, the virtual team. Virtual teams are groups of employees at different locations who communicate and collaborate by means of technology.



How are virtual teams different from teams working together at the same location? How can organizations build and support virtual teams to increase their effectiveness? **Paul E. Tesluk**, assistant professor of management and organization and associate director of the **Center for Human Capital, Innovation, and Technology (HCIT)** at the Smith School of Business; Bradley L. Kirkman (Georgia Institute of Technology); Benson Rosen (University of North Carolina at Chapel Hill); and Cristina B. Gibson (University of Southern California) sought to answer these and other questions. The first paper on their findings appeared August 2002 in the Academy of Management Executive.

The researchers set out to test common assumptions on the dynamics of virtual teams by studying the environment at Sabre, Inc., the leading provider of information technology solutions for the travel industry. In 1999, Sabre switched from functionally-based work teams to market-based, cross-functional virtual teams to improve customer responsiveness. Tesluk and his colleagues conducted interviews with more than 75 Sabre executives, virtual team leaders, and virtual team members.

“We believe that lessons learned from Sabre should also apply to cross-functional virtual teams and other virtual teams that create synergies based on the special expertise of members in distant locations,” Tesluk says.

The researchers identified five challenges in establishing, maintaining, and supporting virtual teams, and explored how Sabre has dealt with these issues. The challenges are:

- building trust;
- maximizing process gains and minimizing process losses;
- overcoming feelings of isolation and detachment associated with virtual teamwork;
- balancing technical and interpersonal skills among virtual team members;
- assessing and recognizing virtual team performance.

While building trust is a basic issue for any work team, the task is more challenging in virtual teams, whose members rarely meet face-to-face. Tesluk and his colleagues

discovered at Sabre that “trust in virtual teams grows through team member reliability, consistency, and responsiveness when dealing with customers.” Establishing policies for communication among virtual team members that emphasize these characteristics, and a team leader who reinforces them, are key, the researchers state.

The positive synergy produced by employees interacting face-to-face on a regular basis, which can maximize process gains/minimize process losses, is difficult to achieve in virtual teams. To combat this deficit, Sabre invests in teambuilding activities as part of its virtual team launch including the development of team mission statements. The company also encourages teams to meet once or twice a year, and supports continuous virtual team training.

Overcoming feelings of isolation and detachment is another significant hurdle in virtual teaming. Sabre’s experience proves that these feelings can be managed with careful attention to social needs. In selection interviews, Sabre questions candidates on their suitability for virtual teamwork, and uses realistic job previews to counter team-member isolation by allowing candidates to select out of isolating positions. Later, general managers regularly keep in touch with team members through phone calls and e-mails. Other company practices similarly build a sense of inclusion.

One of the study’s most surprising findings, Tesluk says, is the importance of interpersonal skills for those working in highly virtual environments. “The common wisdom is that when a team is so highly reliant on technology to get work done, technical skills are most important,” he notes. “But we found that the challenges were more on an interpersonal level.” An overwhelming majority of team leaders and members at Sabre cited “ability to communicate” as the most important skill of a virtual team member. “The take-away is that, when selecting for virtual teams, it’s important to assign a significant role to interpersonal skills,” Tesluk says. Behavioral interviewing and panel interviews (through teleconferencing) have helped Sabre gather this information about prospective employees.

Finally, the physical separation and technology-mediated communication inherent in virtual teaming complicate the process of assessing and rewarding employees. To surmount these difficulties, Sabre has developed a comprehensive, multi-tiered assessment process. First, using a balanced scorecard, each team is measured on a variety of outcomes, including share of market, process improvement, and customer satisfaction. Managers also assess individual team-member performance utilizing objective measures, observation, and peer evaluation, and provide timely feedback. “Our research suggests that team leaders are probably the most critical factor when it comes to implementing successful virtual teams,” Tesluk states.

The researchers now are exploring other aspects of virtual teaming, and recently completed a second paper on the Sabre study, looking at how the degree of empowerment affects collective motivation and impacts performance. They’re also examining how organizational support contributes to virtual team cohesiveness. On April 25, Tesluk presented a paper on the Sabre study in the HCIT conference series, The Knowledge

Exchange.

For further information on Tesluk's research in virtual teaming, e-mail ptesluk@rhsmith.umd.edu.

The Value of Service With a Smile

Two printing companies bid on a university project, providing comparable cost estimates. One of the printers is located conveniently near the university campus but has a record of sub-standard service. The other printer is 50 miles away but bends over backwards to meet the client's needs and fulfill job specifications. Which company will win the job?



Some businesses are struggling to survive in today's depressed economy. Savvy managers still compete for business by offering quality products at reasonable prices, but, if prices are comparable, what makes a customer return to a previous vendor? It turns out to be exceptional "service with a smile."

Designing customer service to enhance business-to-business (B2B) relationships is a topic that intrigues **Janet Wagner**, associate professor of marketing and associate chair of the marketing department. Of particular interest is how firms in both online and offline environments build customer loyalty through customer satisfaction, trust, and perceived relationship value.

In B2B markets, Wagner says, service can differentiate a firm from the pack, combat margin squeeze, and provide competitively superior value that cost-cutting rivals can't hope to match. Service is the foundation for building lasting B2B relationships.

Wagner presented a paper on this topic, "The Role of Personalized Service Encounters in Business-to-Business Relationships," in the Smith School marketing seminar series last year. The paper reports on a study, supported by the Marketing Science Institute, that explored the process by which the exchange of social resources creates bonds that strengthen business-to-business relationships. Wagner's co-researchers are Ruth Bolton (Vanderbilt University) and Amy Smith (George Washington University).

The paper draws four conclusions:

- 1) The social resources delivered by service agents create personal bonds.

2) The economic resources delivered by service operations create structural bonds that have more effect than personal bonds on overall customer satisfaction.

3) The responses of business customers to design of the service delivery system are moderated by the length, nature, and quality of their prior experiences with the service organization.

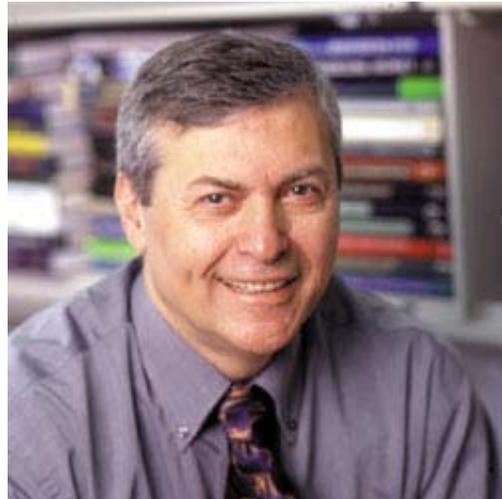
4) Perceived relationship value mediates the effect of satisfaction on behavioral intentions.

“These findings provide guidance for managers on how to ‘strike the right balance’ in providing social and economic resources to their business-to-business customers,” Wagner notes. For example, some business customers may be willing to trade off price for personalized service from a designated account representative

The paper is scheduled for publication in the Journal of Service Research this month. For more information on Wagner’s research, e-mail jwagner@rhsmith.umd.edu.

Professor’s Research Has Its Day in Court

It’s not often that a scholar has the opportunity to discuss his work in front of a non-academic audience. But **Haluk Unal**, professor of finance at the Smith School, has gotten the chance. Unal has been called upon by the Department of Justice to testify in three cases under way in the U.S. Court of Federal Claims. With millions of dollars at stake, the Smith professor has everyone’s attention.



The cases stem from the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), which, among other things, restricted the ability of thrifts to count goodwill toward regulatory capital requirements. Throughout the 1980s, many savings and loan institutions (S&Ls) acquired other S&Ls whose liabilities exceeded their assets when marked to market, resulting in goodwill being booked as an asset on the acquirers’ balance sheets. Following the enactment of FIRREA, more than 100 S&Ls that had made such acquisitions sued the federal government, claiming that the change in law breached alleged contracts concerning the regulatory treatment of goodwill.

Unal has been studying mutual to stock conversions in the S&L industry for more than a

decade. Aware of his work on the subject, the Department of Justice asked him to testify in three of the lawsuits. “My role is to help the court determine if there was damage,” Unal states.

Each case relates to a different issue the professor has studied. The first has to do with thrift ownership. “Some of the thrifts subject to these alleged breaches were mutual organizations,” Unal explains. “Ownership of these types of organizations is not well defined. Usually the corporate claimant is the equity holder or the debt holder. In the case of mutual thrifts, there is no equity holder and the depositors are federally insured,” he says. “Hence, it is not clear who should be compensated even if there was a damage.”

In the second case, the plaintiff claims that, as a result of the alleged breach, the mutual thrift at issue converted earlier and raised less conversion proceeds than it otherwise would have. But, as Unal explains, there are differences between mutual-to-stock conversions and typical initial public offerings. For example, there are no true owners of the mutual thrift, and the converted thrift, which is owned 100 percent by the new shareholders, receives the conversion proceeds invested by those new shareholders (less expenses) as equity. According to Unal, these differences help to demonstrate that the plaintiff’s claim to alleged “lost” conversion proceeds is invalid.

Values assigned at the time of thrift conversion figure in the third case. A number of years ago, Unal developed an econometric model that can identify the value of goodwill in the balance sheet of a converting institution. Questions he considered included whether, when a thrift converts, the equity price appreciates or depreciates the day after conversion, and whether goodwill has a positive or negative impact on price. Based on his analysis, Unal has offered informed opinions to assist the court in determining what, if any, financial harm the plaintiffs sustained.

Unal has given depositions in all three cases. Recently, the Department of Justice won one of the cases before his scheduled testimony. Unal is expected to appear in court for the remaining two cases within the next year or so.

It has been an interesting experience, according to the professor: “It’s exciting to see that your research has the potential to make a difference, that it can affect people in a tangible way.”

For more information, e-mail hunal@rhsmith.umd.edu.

Golf Tournament Scores Again

Friendly competition nets more than \$30,000 for business school

On Thursday, September 19, 144 competitive golfers teed off at the 13th Annual Robert H. Smith School of Business Alumni Chapter Golf Tournament. The tournament was once again held at the University of Maryland Golf Course. This year's event raised more than \$30,000 to assist the Smith School of Business and its alumni programs.



Golfers had the opportunity to chat and network with Smith School Dean Howard Frank; Maryland Men's Basketball Coach **Gary Williams '68** (*above, far left*); the voice of Maryland, Johnny Holiday; and basketball legends Jim O'Brien '75 (Arts & Humanities) and Bob Bodell '73, MBA '76. Bodell and O'Brien helped alumni relive the last seconds of the famous 1971, 31–30 victory over South Carolina.

Participants enjoyed a gourmet buffet lunch donated by Chuck Corcoran of Corcoran Caterers, and, after completing 18 holes, they feasted on chicken and steak, courtesy of Bob Basham '70, CEO of Outback Steakhouse. The evening came to a close with the raffle drawing, and silent and live auctions. The coveted, autographed "National Championship" basketball went to a member of the Thomas Somerville Company foursome, Carl Berwaldt of Edgewater, Md.

In addition to our foursome sponsors, the success of the tournament was made possible by the hard work and generous contributions of our alumni, guests, and friends, including Bill Van Dyke '79, tournament chairperson; committee members Barry DesRoches '80; B. Gary Dando '64; Shelley Banks '75; Bill Cole '71; Vicki Rymer '61, MBA '66, Ph.D. '83; Ted Rose '88, MBA '93; the Smith School Alumni Chapter Board of Directors; the Office of External Relations; MBA Association volunteers; and the University of Maryland Alumni Association staff.

You can join in the fun and fund raising in 2003. See the box below left for more information.

The golf tournament's silent auction attracted many bidders including Andy Miller '79 (Behavioral and Social Sciences).

A group gets some expert "coaching" before teeing off. L-r: Gary Williams '68; an unidentified golfer; Cliff Kendall '54; Bob Bedingfield '70; and Rudy Lamone, former dean of the Smith School.

Save the Date ...

Mark your calendars now for the 14th Annual Robert H. Smith School of Business Alumni Chapter Golf Tournament. Please join us on Thursday, September 18, 2003 at the University of Maryland Golf Course for a 1 pm shotgun start. There are a limited number of Gold and Silver Foursome Sponsorships available.

Over the years, the alumni chapter golf tournament has raised money to support alumni programs, help fund activities of the Office of Career Management, establish the Smith School Alumni Chapter Scholarship, and assist in the Van Munching Hall expansion project.

For more information about the golf tournament, contact Angela Boone, director of special events, at aboone@rhsmith.umd.edu.

Thanks to all of our Tournament sponsors!

Host Sponsor: Ernst & Young

Foursome Sponsors**Gold:**

- ACS State & Local Solutions
- Deloitte & Touche LLP
- Lockheed Martin

Silver:

- Allfirst Bank
- GEICO Direct
- NASD
- PricewaterhouseCoopers LLP

Bronze:

- Bank of America
- BB&T
- Cisco Systems
- Dell Computer Corporation
- Mantech International
- Thomas Somerville Company
- University of Maryland University College Inn and Conference Center
- Whiting-Turner

Lunch Sponsor: Corcoran Caterers

Dinner Sponsor: Outback Steakhouse

Making the Right Connections

The new Smith Alumni Mentor Program is off to a great start. Members of the program are grouped together in “clusters” according to career field. Each cluster consists of one senior-level mentor and up to five young alumni mentors, each of whom is assigned one

or two protégés from the MBA class. This arrangement provides both mentoring and career networking opportunities for the alumni who participate. Clusters have been getting together at Smith alumni networking events, the offices of senior mentors, and Terrapin men's basketball games.

Alumni are not the only beneficiaries of the program. After a recent get-together at her senior mentor's office, Kathryn Hope, MBA Candidate '04, said, "My group had an excellent meeting with our mentors. Both the recent and more experienced alumni gave us valuable tips on the job search and interviewing process. Having the opportunity to bounce ideas off people working in our desired career field and getting feedback on the types of skills we should have were extremely helpful."

Are you interested in an opportunity to network with Smith alumni and mentor an existing student in the process? Please contact Francena Phillips Jackson, director of alumni affairs, at fjackson@rhsmith.umd.edu or 301.405.3709 to learn how you can participate as a mentor in the 2003-04 academic year.

Members of Cluster 28 in the offices of Phillips Health LLC, (l-r): Senior mentor Kevin Donoghue '84, president, Phillips Health LLC; MBA students Danielle Endreny, Alison Ippoliti, Matthew Pace, Megan McClure, Jackie McAllister, Tim Oswald, Ryan Kraudel; young alumni mentor Tom Karounos, MBA '02, associate manager, customer strategy, PepsiCo, Inc.; MBA student Kathryn Hope; young alumni mentor Jeff Knabe, MBA '02, associate manager, channel strategy, PepsiCo, Inc.



Marketing Executive Relishes Continuing Challenge

As a college student, **Beatriz Perez** was faced with a dilemma of whether to study psychology or business. She found the solution in marketing. "Marketing is about understanding the psyche of the consumer," she says.

Today, Perez, who received her bachelor's degree from the Smith School in 1991, is vice president of sports marketing for the North American division of The Coca-Cola Company. In this field, she says, "You are not only attempting to understand the psyche of the consumer, but the consumer as sports fan." Perez has risen to the challenge, as she has throughout her marketing career. In fact, shortly after joining Coca-Cola, she was named Most



Promising Manager of the Year in 1997 by the National Hispanic Employees Association.

Interestingly, her success stems more from being a fan of the “sports business world” than a sports fan. “Growing up, I was your typical nerd,” Perez says, chuckling. “I liked studying and reading. I played the violin.” As a high school senior, this serious student snuck into one of her older sister’s marketing classes at the university. “The instructor was really holding my attention, engaging me,” she recalls. “I knew then I wanted to attend Maryland.”

After graduation, Perez went to work for her mother’s real estate company in Rockville and for the United States Hispanic Chamber of Commerce, where she was named Employee of the Year in 1993. From there, she joined a marketing firm in San Antonio, where she was account supervisor, focusing primarily on Coca-Cola initiatives. Perez was impressed by both the company and its then-chair, Roberto Goizueta. “Here was this Cuban American like me leading a world-class company,” she says.

Perez joined Coca-Cola in 1995, working as associate brand manager in consumer segments marketing and then program strategy for Coca-Cola Classic. Prior to her current position, she was the director of the award-winning Motorsports marketing platform, working as its lead strategist.

“The challenges in this business are about staying fresh and innovative,” Perez says. “You’re creating new ways of thinking.”

Wonder Leads to Business Success

Ori Reiss says he was fascinated by the first IBM personal computer. And he has since turned that fascination into a successful business. Reiss’ GlobalNet Services, Inc. (GNSI), an information technology firm, provides Web application development, system integration, and creative media solutions for corporations and the federal government. Last year, the Rockville, Md.-based company was named to the “Washington Fast 50” list, an annual ranking of the 50 fastest-growing public and private technology companies in the region.

“It was a dream of mine to own my own company,” says Reiss, who earned a bachelor’s degree in economics from the University of Maryland in 1989 and his MBA in information technology a year later. While at Smith, he was a



graduate assistant in the school's Dingman Center for Entrepreneurship. He advises, "You have to pursue your dreams vigorously and not be frightened of taking that first step."

Reiss took that all-important first step while working as an independent consultant for the Food and Drug Administration (FDA). "I was the technical lead for a system called Science First, which sought to provide FDA scientists with access to different, disparate data sources," he explains. "The solution developed was the first of its kind at the FDA using intranet technologies, before the term intranet was coined, to provide access to databases, search engines, and documents via a Web browser."

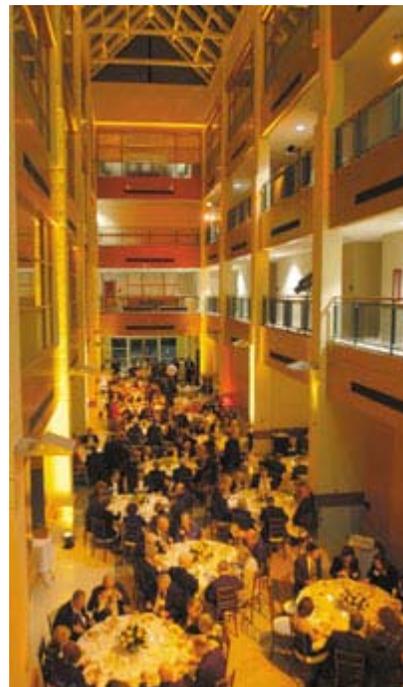
Seeing a need and identifying a niche that he could fill, the FDA project led to the creation of GlobalNet Services in 1995. Today, clients include not only the FDA, but also the National Institutes of Health and Johns Hopkins University, among others. And, even in a downward economy, the company continues to thrive. "We are expanding our physical space and hiring," says Reiss. Adding, "We have been fortunate to have great clients who give us new and challenging projects and wonderful employees."

"What a Weekend!"

Friends and alumni came from far and wide to be part of the grand festivities at the Robert H. Smith School of Business, November 8 and 9, 2002. The primary reason for the gathering was the dedication of the new wing of Van Munching Hall, and the guest list was a "Who's Who" of many of the most important people in the growth and development of the University of Maryland business school.

Speakers at the dedication ceremony included the building's and the school's namesakes, Leo Van Munching Jr. '50 and Robert H. Smith '50. Also addressing the gathering were then-Maryland Governor Parris Glendening, University of Maryland President C. D. Mote, Smith School Dean Howard Frank, and former deans, Bill Mayer '66, MBA '67, and Rudy Lamone. The Dean's Suite in the new wing was named in Lamone's honor.

Following the dedication ceremony, guests adjourned to the new wing's Grand Atrium. Members of the University of Maryland Class of 1952, who were celebrating their golden anniversary reunion, joined them. Following an elegant dinner, the party really got under way. Moving to the adjacent atrium in the original wing, which had been transformed into an intimate dance club, couples waltzed



and dipped to swing favorites.

The next morning, the Smith School hosted Alumni College, a special educational program with presentations by faculty members Russ Wermers and Sandor Boyson. There were also building tours and special demonstrations in the school's innovative Netcentric Financial Markets Laboratory. More than 20 Smith School student clubs, academic programs, and centers also had representatives on hand to discuss their activities.

But there was still more excitement to come, this time at Byrd Stadium. The Homecoming Tailgate Party began at 11:30 a.m., and in an hour and a half, more than 500 people visited the Smith School community tent and feasted on burgers, hot dogs, salads, and Pepsi.

And in a perfect ending to a fantastic weekend, the Maryland Terrapins knocked off the 13th-ranked North Carolina State Wolf Pack in a last-minute, come-from-behind victory, 24–21.