

THE DeVoeREPORT

SPRING / SUMMER 2017

A CONVERSATION WITH

Cheryl Bachelder

CHIEF EXECUTIVE OFFICER, POPEYES LOUISIANA KITCHEN, INC.

Hardwork, Faith & Family:

The life and legacy of James F. DeVoe Sr.

Business and Community: The Oaks Academy


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More than 30 years ago, Indiana Wesleyan University made a bold and ground-breaking commitment to serving adult learners with the launching of the dynamic LEAP (Leadership Education for Adult Professionals) program. The innovative approach to serving diverse learners had an initial focus on business education programs, which would lead to the formation of what is now the DeVoe School of Business, one of the Midwest's largest and most influential business schools. The DeVoe School of Business has served learners through providing a faith-based business education which sharpens skills, clarifies reasoning, and helps students to further define personal and professional calling.

Today, the DeVoe School of Business delivers education onsite at 16 regional education centers and online nationwide to thousands of learners across the landscape of the marketplace. With an alumni base numbering in the tens of thousands, the DeVoe School of Business has influenced the leadership of many business leaders throughout the nation. A hallmark of the DeVoe School of Business from its inception is the commitment to reach learners by taking the educational experience to them, from manufacturing plant floors to office buildings.

This inaugural edition of *The DeVoe Report* is no different. We are continuing to find new ways to take education directly into the marketplace to increase business professionals' access to valuable learning. It is my hope that you find the content of this reader helpful to your daily work. I am grateful to the many business leaders and industry experts who have partnered with us to bring this publication together. We look forward to sharing future editions with you.

DR. DAVID WRIGHT

President
Indiana Wesleyan University

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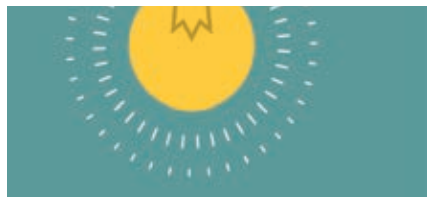
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Cheryl Bachelder**
Kneeland C. Brown

Business & Community
Greg Enas



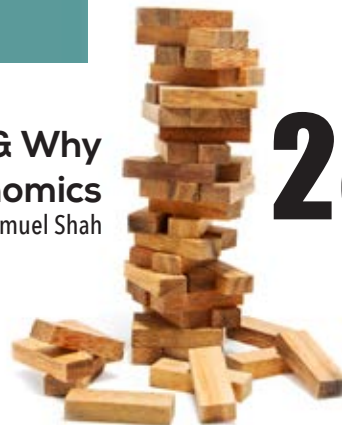
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play golf and recently played Bethpage Black in New York, which was the location of the 2002 and 2009 U.S. Open Golf Tournament.

Donna Meiser is the Alumni Relations Coordinator for the College of Adult Professional Studies at Indiana Wesleyan University. Donna also serves as the worship minister at Florida Station Church of God. She earned her master's degree in Management from Warner University. Meiser pursued higher education as an adult student. She received her undergraduate degree alongside her son and her graduate degree alongside her oldest daughter.

Marcus Myers, BA, MBA, Ph.D., is an Assistant Professor at the DeVoe School of Business at Indiana Wesleyan University. Dr. Myers' professional experience includes serving as Development Officer for the College of Business Administration at Cleveland State University and the Director of Development for EMERGE Ministries. He has contributed to multiple presentations and papers.

Jerry Pattengale, Ph.D., is author of more than twenty books, has co-developed a top-ten-visited website, and has generated significant funding for projects. Indiana Wesleyan University named him its first University Professor (2014). He holds various distinguished appointments and awards—including USC's National Student Advocate Award, AP's Hoosier State Press Association (2015 and 2016), and the National Endowment of Humanities. Dr. Pattengale serves on several boards and was the founding director of the Scholars Initiative and the Education Department at Museum of the Bible.

Debbie Philpott, Ed.D., CPA, CMA, SPHR, SHRM-SCP, CGW, is a professor in the DeVoe School of Business at Indiana Wesleyan University. Dr. Philpott's research interests include human resources management, faith at work, biblical integration, work-life balance, and micro-entrepreneurship.

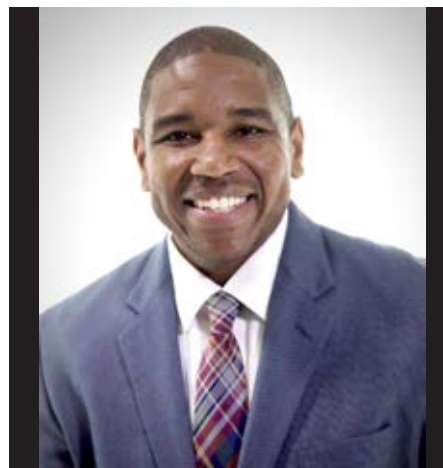
Rebecca Samuel Shah is a research professor at the Berkley Center for Religion, Peace, and World Affairs and an associate scholar with the Berkley Center's Religious Freedom Project. Rebecca is the project leader of a research initiative on religion, entrepreneurship, and economic development funded by the Religion and Innovation in Human Affairs program of the Historical Society in Boston. Rebecca has conducted research for Berkley Center's Religious Freedom Project, the John Templeton Foundation, and Cambridge University. Rebecca earned a Bachelor of Science in Economics and Economic History as well as a Master of Science in Demography both from the London School of Economics.

Tom Vogel, BA, MS, MBA, is a key adjunct faculty member of the DeVoe School of Business at Indiana Wesleyan University. He has taught with IWU since 1989, during which time he took an eight-year reprieve to live and work in Dallas, Texas. Tom owns and manages 12 grain farms in western Ohio and has three livestock operations in Ohio. He has a keen interest in the area of faith and economics, and strongly believes an economic system works best with faith-based principles.

Gary Wilkinson, Ph.D., is a professor of Business and Faculty Emeritus for the DeVoe School of Business at Indiana Wesleyan University where he teaches economics. Prior to full-time teaching at Indiana Wesleyan University, he worked for 27 years at GTE Corporation. Dr. Wilkinson is a past president of the Indiana Economic Forum and has served IWU as Faculty Chair for the non-residential college, Chair of the University Faculty Relations Council, and Chair for the DeVoe School of Business. He lives in Indianapolis and actively attends St. Marks United Methodist Church. He and his wife have four children and eight grandchildren.

David Wright, Ph.D., serves as President at Indiana Wesleyan University. Dr. Wright was Provost and Chief Academic Officer for five years prior to his election as president in May 2013. Before coming back to IWU in 2008, he was Dean of the School of Theology at Azusa Pacific University. Dr. Wright has served in several other positions at Indiana Wesleyan University. Dr. Wright earned his Ph.D. in Educational Policy Studies and Evaluation from the University of Kentucky. He has published three books, numerous articles, and contributed chapters to several professional books. Dr. Wright and his wife Helen have been married since 1977. They have two adult daughters and 3 grandchildren.

Contributors



Kneeland C. Brown, Ed.D.
Editor-in-Chief

The inaugural edition of *The DeVoe Report* is a significant milestone in the life of the DeVoe School of Business. The establishment of this publication is reflective of the school's positioning as a thought-leader, delivering life changing business education rooted in biblical principles and sound practice. The culmination of this magazine would not be possible without the help of many devoted faculty, staff, friends, and partners of the DeVoe School of Business. For each of your contributions, I appreciate you and pray God's richest blessings upon your lives. Let's continue forward in preparing world changers for a life of service and leadership.

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STEELE GUDAL
 1910 - MARCH 23, 1985
 RICHARD AND PATRICE

JAMES F. DEVOE
 MARCH 19, 1944 - MARCH 23, 2012
 JUDITH & DEBORAH STEELE, JUDITH & RICHARD

BLESSED IS THE MAN WHO ENDURES TRIALS...
 FOR HE WILL RECEIVE THE CROWN OF LIFE. - JAMES 1:12

I can do all things through Christ who strengthens me.
 Philippians 4:13

...sold at the DeVoe Chevy Cadillac store in Marion, Credit Seminars and selling proprietary computer software. It was as J.D. Byrider, the end of the year award winner, who decided to build a Florida franchise organization in Florida and Georgia. Jim sees his vision grow from one store in Marion (Iowa) and 123 total stores across the country.



This world is my kingdom I shall not want.



DeVoe Chevrolet-Cadillac, Inc.
 1307 Walnut Avenue
 Marion, Indiana
 Box 984-1270



DeVoe wants to be king of used-car lots

James 1:12
 Provided to the man that endures temptation...
 he will be able to receive the crown of life...
 which has been promised to them for ever.

THE DEVOE Legacy



MARCH 23
Great God and Savior
 WE WILL BE IN SUCH AWE
 WHEN WE SEE HIM FACE TO FACE!

One look toward in that wonderful crowd when the glory of our great God and Savior Jesus Christ will be revealed.
 - Matt 2:11

Timeline:
 1979 - Jim began to finance cars sold at DeVoe Chevrolet-Cadillac
 1986 - Jim began running Auto Credit Seminars
 1989 - Jim franchises his concept as J.D. Byrider Franchising
 1992 - Steele goes to South Dakota to start a franchise
 1994 - Steele comes to Indianapolis to start a franchise
 1998 - 75 stores open by the end of the year
 2002 - 120 stores open by the end of the year
 2003 - Steele leaves corporate to build a franchise
 2006 - Steele owns 6 stores in Florida and 123 company stores (see below) across the country

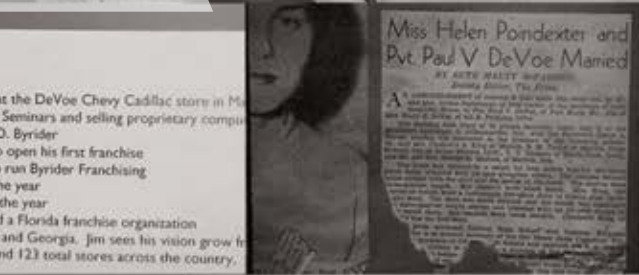


For we walk by FAITH, not by sight.
 2 Corinthians 5:7



cbmc
 Christian Business Men's Committee
 PRESENTS

J.D. B



HARD WORK FAITH & FAMILY

Ryan DeVoe

HARDWORK, FAITH, AND FAMILY. These three qualities form a single portrait of one of America's most innovative auto industry executives, my father, James "Jim" F. DeVoe Sr. Born on March 14, 1943, in Carmel, California, Dad's family relocated to Indiana when he was a toddler and they settled in Marion, IN in 1962. His commitment to hardwork showed up early in life. As a boy, he had a local paper route. He took a special interest in giving the very best service he could and won the respect of the many wealthy professionals he delivered papers to.



He took his work ethic to Indiana University where he graduated with honors in 1966 with a B.S. in Business Finance and Management. It even took the same persistence and hard work for him to win the heart of his college sweetheart, Andrea (Andy). His hardwork paid off when he graduated with an MBA from IU and married Mom during the summer of 1967.

Dad's success was not built on hardwork alone, however. He had a belief in becoming the best by learning from the best, and he selected his role models very carefully. He read books about successful people and learned how they faced struggles and how they got through them. If you spent enough time with him, you would often hear him listening to his collection of cassette tapes which featured audio biographies of corporate executives, often telling of their humble beginnings and journeys to towering success. He would learn these stories, repeat these stories, and embrace these stories. Soon, he would be one of those stories himself.

Dad not only set his gaze upon many corporate executives but, more importantly, he set his sights on God as his ultimate role model.

Even before his formal confession of Christian faith, Dad

Jim F. DeVoe, Sr.

read the Bible and strived to live a principled life to the best of his abilities. During their dating experience, Dad and Mom often spent time reading devotionals, which focused on the Bible, and praying together.

Dad gave his life to Christ and began his Christian journey at a conference at Oral Roberts University. It was this faith in Christ which served as the foundation of Dad and Mom's marriage and family. It also guided them in the parenting of their six children, the loving of their many grandchildren (each of whom had a special nickname from Grandpa), and ultimately their legacy in business.

The Business

Early in their marriage, Dad and Mom decided to return to Marion, IN to take responsibility for the family's Chevy-Cadillac car dealership. Dad led the dealership effectively and thrived while selling new cars to the residents of Grant County and beyond. His financial acumen, innovative mind, and entrepreneurial bent would serve him well in the economic market insecurity which defined the early-to-mid 1980's. With oil embargos driving gas prices further upward and interest rates on a steady climb, the market demand for expensive, big bodied new American vehicles subsided significantly. It was these market conditions that led to the launch of a start-up used car business on the lot next door to the new car business in 1987.

Understanding the need for affordable, fuel-efficient and reliable vehicles, while also being mindful of the difficulty many of his potential customers had financially, he developed the nation's first "buy here, pay here" car sales system. Dealership owners and managers flew in from around the globe to attend seminars in Marion, IN and learn about his "auto credit" system which was triggering so many sales. Soon, more than 750 new car dealers had gone

through his seminar and launched used car businesses. In the midst of the training, his business continued to flourish to the point that franchising became the most effective means of sustaining ongoing growth.

In 1989, he formalized this innovative credit system under the J.D. Byrider brand. It was a walk of faith, coupled with a lot of hardwork, and the active involvement of his growing family that helped facilitate the success. While the business continued to grow, Dad held onto his Christian values, treating customers with respect and dignity while ensuring that employees were treated well. J.D. Byrider would eventually total 168 franchises nationwide in 28 U.S. states under his committed leadership and care.

The DeVoe School

On March 23, 2006, Dad would transition from earth to heaven in a private plane crash near Melbourne, FL. While this was an untimely and tragic event, it is certainly not the end of his legacy of hardwork, faith, and family. In 2013, Indiana Wesleyan University (IWU) completed a \$5 million gift agreement, one of the largest donations received in its history, which led to the naming of the DeVoe School of Business (DSB). The gift came from our family in Dad's memory; however, it was not a gift intended to enshrine his name. Rather, it was a gift meant to inspire others to embrace their purpose. Mom hopes that students and alumni of the DeVoe School of Business "combine both their talents and their God-given gifts with the guidelines and principles that He has set out in His Word as their foundation: to guide them, to direct them, to hold to them, to trust them, to go forward during times when they can't go forward, to restore them...He is able when you are not able. When you are weak, He is strong." These are profound words from my mother and a fitting tribute to Dad's faithful story. ▼

BIBLE BUSINESS

Perspectives from the Shadows of Geniuses

Some people are smarter than others. Some work harder. Some are more creative. Some have greater discernment of character. Some an uncanny insight into business trends. And some, while possessing one or more of these traits, are also Bible-believing billionaires or on their way there.

-JERRY PATTENGALE

I'm old enough to know that some of the youngest men and women in our midst may join their ranks. These traits have already begun to show themselves.

My forthcoming book, *Borrowed Intelligence: Working in the Shadow of Geniuses*, contains a litany of lessons learned from working for, and alongside of, some of these special people. Below are lessons gleaned from time spent in the shadows of three of them and their families – successful not only financially but philanthropically.

Two of these men started with nothing. David Green, founder of Hobby Lobby, slept in the kitchen of his parents' tiny parsonage, with two cabinet drawers serving as his dresser. E. Thomas Arington, the pioneer of Authorized Generics and founder of Prasco Laboratories, began working at eight years old--sweeping a drugstore next to his grandparents' home where he stayed.

The third, the late Robert Van Kampen, progenitor of Van Kampen Merritt, enjoyed initial family funding but veered into totally new areas. His wealth came by revolutionizing investment firms through insured trusts. He saw what others missed and creatively monetized and leveraged what others only valued existentially.

These three men are as different as HBO's John Oliver and the Senate's Orrin Hatch, but they share a common thread—a driving passion to serve God in everything. For them it's not the Bible and business, but the Bible in business.

The undergirding dynamics of wealth accumulation intrigues me. It's the purposeful use of it that excites. In the case of these three men, the two merge in an irrevocable, unabashed business purpose of honoring God.

Each picture affords a glimpse of the rather tangible expressions of their commitments to this singular end. Numerous others could be listed for each person.

The Museum of the Bible is one of numerous projects launched by David Green's family—one currently rich with media coverage due to its magnitude. The entire project—building and programs—is estimated at \$1 billion. I've been privileged to help develop and lead the initiative from the beginning, being among the first three hired to dream and to execute such a plan. It now includes access to more than 40,000 ancient biblical texts and related artifacts associated with the programs, and hundreds of thousands of others through partnerships.

We are looking forward to its opening in November 2017. It will attract millions to its DC facility, and exponentially more will benefit from the museum's interactive Bible curriculum, traveling exhibits, and a host of other venues



MUSEUM OF THE BIBLE

¹An overview is either found on the Museum of the Bible's site under "Education," and full downloadable version at the App store (late December, 2016). See: <https://www.museumofthebible.org/curriculum>.

LEADERSHIP:



internationally. Recently at a Willard Hotel event (November 2016), David and Barbara Green reminded the audience of their priorities: to share the Bible and its message. Barbara reminded the interview host, Bill High (National Christian Foundation), that only two things last forever, “God’s word and people’s souls.” David shared that half of their annual income goes to such causes. Hobby Lobby (only one of their many businesses) made more than \$4 billion last year.

While preparing this essay, I asked Steve Green (president of Hobby Lobby) what guiding principle he recalls from spending decades with this dad in business. He quickly replied, “Dad constantly said, ‘God owns it all!’”

The second picture is of the impressive Prasco Laboratories complex in Mason, Ohio. Its founder is the gregarious E. Thomas Arington—an eighty-year-old teenager. Besides leading a public company, Duramed

Pharmaceuticals, out from under a status of undeclared bankruptcy, he’s also been the key pioneer of Authorized Generics.

He began sweeping the floors of a drugstore behind his grandparents’ humble home in Shelbyville, Kentucky, and never left the industry. One of my special memories was joining him for his first return visit to that drugstore site decades later. Standing with him at the old repurposed building’s backdoor, I gained a new understanding of his journey—across the parking lot was an unmistakable landmark of his faith, the steeple of the church from his youth. The Bible and its message was formative and now frames the entire Prasco culture, to Unlimit™ one’s contributions through loving God and loving people.

The Prasco business complex is among the most impressive in the country—including two professional-quality baseball diamonds. Recently, with his sons, brother, and loyal friends from decades of remarkable projects, he launched Apreece—the first company to use 3-D printing in production. The Zipdose™ technology revolutionizes the time a tablet, pill, or wafer takes to dissolve (it’s immediate). And the Arington and Prasco names are inextricably linked to ministry and community service. Tens of thousands attend their community events annually, at no charge—from hundreds of baseball games to Christmas specials, food gardens, and nutrition assistance.

It’s little wonder that the “Prasco Way,” articulated on thousands of hand-out cards, carries a clear gospel message around its acronym: ISEE. “Improve daily, both personally and professionally. Serve God, family, customers, partners, fellow employees, and global



PRASCO LABORATORIES

²Malcolm Evans and Jerry Pattengale, *Leading Business by the Book: Principles for a Fulfilling Business Life* (Marion, IN: Triangle Publishing, 2008). ³They have since appeared in a different context in *The Chronicle Tribune*.

community. Execute tasks with excellence and exceed our goals. Energize others with our prayers and passion for what we do and what we believe.”

The Cincinnati Angels’ website includes Mr. Arington’s quote that he shares often: “The greatest job satisfaction comes through achievement by a TEAM committed to high standards with the WILL and INTEGRITY to win—regardless of time or level of adversity.”

It’s not difficult to find the source of his philosophy, beginning with Prasco’s address, 6125 Commerce Ct., Mason, Ohio. Yes, the sixth-book of the New Testament, twelfth chapter and fifth verse (Romans 12:5). Those missing that cue won’t overlook it in Prasco’s impressive lobby. While standing on three inlaid crosses one’s eyes are immediately drawn to the large lettering across the edifice of the circular second tier: “Go therefore and make disciples of all the nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit” (Matthew 28:19 NKJV).

The third picture is of Hampton Court Herefordshire (on the border of Wales). I remember a moment with Robert Van Kampen: unannounced, he said, “Jerry, I just bought you a place to hold your meetings in England. It’s a castle near Hereford.” Indeed we held some remarkable events with the British Library at Hampton Court, Herefordshire—for scholarly discussions of the Bible. From the world’s leading Greek scholar, Bruce Metzger, and leader of the Dead Sea Scrolls group, Emanuel Tov, to the Vatican’s librarian, Fr. Leonard Boyle, and noted scholars such as Janet Backhouse, Walt Kaiser, and Edwin Yamauchi, in-depth discussions marked our days.

Bob afforded this benevolence through an ingenious small-stock idea. Within a few years, he became the progenitor of the Van Kampen Investments brand. And from Nike Securities and helicopters to one of the country’s largest real estate firms (which he bought, sold for a profit, and did the same again), he made money until the day he passed. A strong man. Powerful presence. Obsessed with whatever deal he pursued. Though espousing a devout Reformed theology, his modus operandi followed none other than John Wesley—“Make all you can. Save all you can. Give all you can.”

As I moved (and continue to move) in the shadow of geniuses, I tracked principles woven through their lives’ tapestries—manifest clearly in their business journeys.

Space doesn’t allow us to unpack the stories behind some of the principles listed below. You can find some of these; however, in *Leading Business by the Book*, coauthored with successful businessman Malcolm Evans. You will also find a simple list of these on the wall of the new mayor of Marion, Indiana. The morning of Jess Alumbaugh’s stunning victory over a longtime politician, I sent these principles in a long extemporaneous text.

Working in the shadow of geniuses has changed me. Extemporaneous spewing of coherent principles comes from persistent observation and mentoring (intentional or accidental). If you are a business owner, keep in mind that, by design or default you’re mentoring those in your shadow. And if you are working for a gifted leader, realize the privilege of shadow space. The mentoring/observation dynamic is the fulcrum of internships as well.

HAMPTON COURT, HEREFORDSHIRE



LEADERSHIP ADVICE FROM THE SHADOWS OF GENIUSES

1 INTENTIONAL NOT ACCIDENTAL. Your leadership role is by design not default. You have demonstrated for your organization and, especially your leadership staff, that “the dream needs to be stronger than the struggle.” Pray for mature dreams, and those rarely have you at the center.

2 HONEST HANDSHAKES. You’ll be bombarded by people with their hands out. Some will give a genuine handshake, but many will have palms up. Pray for discernment.

3 PRINCIPLES NOT PERSONALITY. Always make decisions on principle and not personality. No matter how much you like someone or want to help, make the decision on principle. Each comes with biblical underpinning. Pray for principles.

4 TRUE CHARACTER STANDS THE TEST OF TIME. Keep in mind in this post-WikiLeaks era that all e-mails, phone calls, and texts can surface publicly. Also, local media publishers may think highly of you, but be advised that they will, on principle, pursue leads of both good and bad decisions. Good publishers and their journalists make decisions on principle, no matter how much they like your person. Pray for perspective.

5 PERSONAL FOUNDATIONS. The measure of a man or woman is what one does while alone. And it often becomes manifest when in public. Pray for accountability partners.

6 PUBLIC SERVANTS NOT A POSSE. Surround yourself with people smarter than yourself, on and off the payroll. Payroll colleagues are most in sync when they see a higher purpose. Pray for servant leaders.

7 INTANGIBLES ARE INEXTRICABLY LINKED TO TANGIBLES. Millennial employees value the intangibles. To surround yourself with good people, you need to develop a good culture. Culture is an extension of your character and that of your leaders. Christ-centered character rarely remains quiet. Pray for humility among self and those selected.

8 NIX NEPOTISM. Unless you’re running a family business, rarely hire relatives. Some may have rare giftedness from your family tree and are real assets, but be careful not to add limbs that endanger the trunk. If too many unqualified get too close, push them away with a smile, or you’ll begin feeling folks pushing you elsewhere. If it’s a family business, a central part of the business is family. Pray for reasonable proximity.

9 RIGHT OF A SECOND DECISION. Even if you’ve started down a path out of necessity, pause and make sure existing commitments are the right ones. Be loyal to your word, but don’t let others’ words detach you from your own loyalties. Pray for awareness.

10 HIGH ROAD OR THE HIGHWAY. Stay above reproach financially. Frugality goes a long way, and avarice sends you on your way. Internal audits should begin with the individual. Pray for financial peace.

11 BENEVOLENCE NOT BITTERNESS. Remember the person you’ve replaced is likely at the core a gifted individual; perhaps the same board that hired you also hired, and fired, your predecessor. Pray for leaders past and present. You’ll be on both lists, in time.

12 UNDERSTAND SACROSANCT. Some words never apply to you. If you think sacrosanct isn’t one of those words, you’ll either be in jail or be in another job before you realize your ignorance. Pray for maturity.

13 APPROVAL RATINGS ARE OVERRATED. Listen to your peers and constituencies. If only surveys drive your decisions, then you’ve already handed the leadership wheel to another driver. Pray for wisdom.

14 TRANSPARENCY. If you try to make an impression, that’s the impression you’ll make. When your honor and intentions become opaque, people will begin looking for other windows of hope—of clarity and transparency. Too much self-disclosure is overexposure. Pray for tempered openness.

15 RELIGIOUS PERSPECTIVE. If you ever feel far from God, guess who moved. Pray for the long view. ▼

⁴ Further discussion of this dream theory, based on various research projects and tests, is found in some of my educational books, e.g., *Why I Teach* (Chicago: McGraw-Hill) and *The Purpose-Guided Student* (McGraw-Hill).

A CONVERSATION WITH

Cheryl Bachelder

CHIEF EXECUTIVE OFFICER, POPEYES LOUISIANA KITCHEN, INC.



KNEELAND C. BROWN



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he corporate CEO is a position which exudes power. The following interview was conducted in an attractive and spacious office on the 10th floor of a corporate building in Atlanta, and my subject fit me in to a busy day with high-impact, decision-laden meetings.

As CEO of Popeyes Louisiana Kitchen, Inc., Cheryl Bachelder holds court with the confidence equal to any of her C-Suite peers. However, there is something both distinctive and disarming about Cheryl; in a word, humility.

The dynamic power is explored in her book, *Dare to Serve: How to drive superior results by serving others*. The book explores the turnaround of Popeyes from a perpetual financial underperformer to an industry darling and model. Cheryl makes it clear that the first step in becoming a “Dare to Serve” leader is a willingness to shift attention from self to others. She writes, “Your favorite leaders have been decidedly different. Their motives go beyond self-interest. They challenge you to pursue daring, bold aspirations that create an exciting place to work. They shun the spotlight for serving a higher purpose. They evidence principles in their daily decisions. You not only love these leaders but also perform your very best work for them.”

LOVE!
- THAT -
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From her interaction with fellow team members to her warm and personal greeting given to me as I entered her office, it was clear that I was not just viewed as another appointment in the midst of the day. Living her book's precepts, she treated our conversation as an opportunity to connect, giving credibility to her insights on how other leaders can do the same.

As Dean of the DeVoe School of Business, it is my privilege to serve a team dedicated to building the next generation of servant leaders in business. In the pages of this journal, it is also my honor to tell the stories of exemplary leaders who are lighting the path for our graduates. Please enjoy the transcript of one such conversation.

DEAN BROWN – Please tell us a bit about your personal background.

BACHELDER – I had a wonderful home life growing up. My parents, Max and Margaret Stanton, were both from Indiana but we did not grow up in any one place. We moved on average every three years, eventually living in about 12 different places. My educational journey led me to go to high school in California's Silicon Valley, and after that, I headed to Indiana University (IU) for my Bachelor's and MBA degrees, which I completed in 1978.

My father was one of my greatest role models. He was in the electronics business and a part of the team of people who worked to take us from the transistor to the integrated circuit to the computer chip.

DEAN BROWN – Can you tell us a bit about your professional journey?

BACHELDER – IU had a great placement office, and I was very blessed by that. It was through the interviews from this office that I joined Proctor & Gamble's brand management team. I loved the idea of shaping and growing brands. I went from there to Gillette and from there to the food industry, Nabisco. My first executive roles were VP for marketing for Planters nuts and Lifesavers candy and eventually GM of the Lifesavers Company.

My first restaurant work was with Tom Monaghan at Domino's Pizza. He was an industry innovator and a great values-based leader who was active in giving back to the community. My time with Tom would shape my leadership and me deeply.

I joined Yum brands as the President of Kentucky Fried Chicken (KFC), and this role was a struggle. Not full of success but full of learning. I lost my position at KFC in the fall of 2003, and I often say it was one of my most

career sharpening experiences. An insight I have gained in life is that we learn very little from success and we learn most from failure. Before this, I had great success; I had not been refined by fire. Losing my job forced me to move through the stages of grief. It was not until I took accountability for it and stared the failure in the face that I was able to learn from it.

Humility is the ability to look in the mirror and allow yourself to learn from the dark side of oneself—what is it about me that caused this failure? I had to learn the lessons and approach leadership differently because of this painful education. I learned that you cannot serve an organization well without leading them to success. Out of that failure, I became very convicted about how to lead a company to success.

After a four-year period, thinking I was done with executive leadership and retired, I was offered my present role at Popeyes. It has been a great opportunity to serve in this present role, and I have been able to apply my many lessons learned in this current position.

DEAN BROWN – Tell us a bit about your book, "*Dare to Serve*."

BACHELDER – The reason I wrote a book about the Popeyes experience was to provide a case study on the application of servant leadership in the context of a public company. The idea that you could create the conditions of driving superior results was often portrayed as "soft" and "nice" but not effective. I wanted to provide a compelling story. I am not an author and do not plan to make a living as one. I just wanted to get the story captured to encourage other leaders that leadership marked by service can drive results.

A "Dare to Serve" leader is a one who is brave and humble in their leadership. It is calling out a daring destination for your people in an organization. I often say if the vision is not making your palms sweat, it is probably not big enough. The leader must stretch the people beyond their imaginations and give them something to aspire to. When we said this restaurant was going to grow restaurant sales by 20%, profits by 40%, and build 100 restaurants a year, we were called crazy. We had to declare and chase that goal with a good strategy. We had to be humble enough to be continuous learners and learn from our mistakes and come alongside our people to aid them in their success. Leaders want to go to brave places, and people want to go to brave places, and we must serve well along the journey.

DEAN BROWN – How, in the rarified air of corporate suites, does one avoid the spotlight?



BACHELDER – I believe you must think about that before it happens. Before Popeyes recent success happened, I thought about how I wanted to convey and represent that success in the public space. We have been in every major publication - *Forbes*, *Business Week*, *Harvard Business Review*. Yes, I end up being the face of the company because I am CEO and it is very tricky to represent the company in this way and not let it go to my head. I must remind myself that God has given me this platform to teach servant leadership, that is the purpose of my public visibility - this is how I view my personal purpose of calling.

DEAN BROWN – How has your faith informed your approach to leadership?

BACHELDER – When I say “Dare to Serve” leader, I always say that the courage of being a “Dare to Serve” leader comes from the Old Testament and the humility

to be a “Dare to Serve” leader comes from the New Testament. Two scriptures - Joshua 1:9 “Have I not commanded you? Be strong and courageous. Do not be afraid; do not be discouraged, for the Lord your God will be with you wherever you go.” Joshua is called to courageous leadership, to go to a daring place and do something bigger than what he can do in his strength. The second scripture that guides my leadership is Philippians 2:3 “Consider others more significant than yourselves.” This is how I want to think about the people I lead in the marketplace. Leading them well is the privilege to which I have been called by God.

The challenge is, can we be courageous in the marketplace? Moreover, can we be like Jesus in the marketplace? Biblical leaders were not asked to do ordinary things. They were asked to do big things. Likewise, now we are asked to do big things.



DEAN BROWN – What does it mean to lead virtuously in the marketplace?

BACHELDER – I think of virtue as our core beliefs and convictions. I often ask leaders what their convictions are and from where did they come. I love the book *The Conviction to Lead* by Albert Mohler. If one of your beliefs is in the dignity of every human being as a creation of God, how did you treat your administrative assistant today? How did you engage with the angry franchisee? It is very hard to live these convictions out in our daily life. As I coach leaders, I challenge them to dig into their convictions and become accountable to living them out in their daily life. Virtues must move out of the theoretical and into the practical.

DEAN BROWN – In any organization, change is constant. Is it possible for a leader to remain ahead of the change? If so, how is this done?

BACHELDER – I am not sure you can be ahead of all the change, but you can be aware of changes and grow your

capability to manage them. When I came to Popeyes, the needs of the organization were in my sweet spot - brand management and marketing. The priorities of the firm have shifted over time to other areas of focus. For me to lead effectively, I must grow my knowledge and lead in these new areas. Every leader must grow, or you will be unable to lead your team.

It is important at every step of leadership to be self-aware of your gift and be open to the fact that you need the complementary skills which others bring. Many describe my teams as eclectic. I am seeking the combination of necessary skill-sets and abilities which it takes to make this firm successful. Too often, leaders hire people who look and lead like themselves. This gives the team significant skill gaps and blind spots that hamper their success.

DEAN BROWN – An article this past fall in the *Harvard Business Review* featured the story of your relationship with the Popeye's franchisees. How do you foster good working relationships with the many stakeholders in the organization?

BACHELDER – All good relationships are built on trust. Trust begins not with talking but with listening. Not with selling and persuading but with learning together what is best and deciding together what is best. We have established a process where we bring 30-40 franchisees to the home office here in Atlanta every quarter, and we find agreement on what our challenges are and together we develop solutions, and together we implement the solutions.

Our corporate team must be mindful that we do not have all of the answers and be careful not to attempt to persuade the franchisees. In other words, we must resist the urge to tell and sell. Instead, we present the issues and truly hear them out and gain their input. It takes time but it enables the organization, once aligned, to go very fast.

Consider one example. We delayed our initial plans for a national restaurant remodel because of franchisee concerns. It took us two years to address those concerns, but we got a better result and remodeled the entire system in two years which normally takes five to seven years. Our franchisees had ideas which cut the cost and increased the expediency of the project.

We want to create a high trust, high relationship, and high execution work environment, all of which has proven to be a strong competitive advantage for Popeyes in the marketplace.

DEAN BROWN – What excites you about the future?

BACHELDER – The potential for developing the next generation of leadership. Imbuing in the next generation the idea of purpose and principles to help them become servant leaders. I believe the next cohort of leaders is a treasure because they sincerely want to make a difference in the world. If we are willing to invest in the next generation of leaders, we can prepare them to be the best leaders they can be.

One of my favorite quotes is from Max Stackhouse. "Increasingly business leaders will be the stewards of civilization." –I want to be a part of that. ▼

**“ INCREASINGLY
BUSINESS
LEADERS
WILL BE THE
STEWARDS OF
CIVILIZATION.”**

CHERYL A. BACHELDER is the CEO of Popeyes® Louisiana Kitchen, Inc. As a proponent of servant leadership, she builds highly collaborative teams with big ambitions for the enterprise, not themselves. She has more than 35 years of experience in brand building at companies like Yum Brands, Domino's Pizza, RJR Nabisco, The Gillette Company and The Procter & Gamble Company. In March 2015, Mrs. Bachelder published a book chronicling the tenets of the Popeyes turnaround, entitled *Dare to Serve – How to drive superior results by serving others*. Cheryl has been married to Chris for 35 years and they have three daughters and two grandsons. Cheryl and Chris attend Buckhead Church.



Public corporate downfalls, unethical financial practices, and executives being lead out of global headquarters in handcuffs with their faces masked from the flashing cameras has all too often become the image of business. Gordon Gecko boldly summed it all up in the popular movie Wall Street when he declared, "Greed is good." Business has so often been portrayed to the general public as lewd acts of pure uninhibited greed that it can obscure the reality that not only is greed not good, but there are many other aspects of business that deserves the label of good.

When placed in the proper hands business can not only be good, but its contributions of good can extend far beyond the boundaries of the marketplace itself. Yes! Business professionals have much to give that can aid in the transformation of hearts, minds, lives, and communities.

If you walk onto the Fall Creek Campus of The Oaks Academy, you are immediately overwhelmed by the sheer energy in the building. Children in the hallways scurrying about - donning their neatly appointed blue, white, and green uniforms. Teachers are in the classrooms energetically giving instruction to attentive learners. Parents are bustling about from here to there carrying out their volunteer duties and staff/administrators hard at work in the offices taking care of the tasks of the day or greeting visitors to the building.

THE OAKS ACADEMY

In 1998, The Oaks Academy opened its inaugural school year with a class of 52 students. Located in the urban Indianapolis neighborhood now known as Fall Creek Place, which was once notoriously referred to as "Dodge City" because of the high crime rate, The Oaks Academy is a

beacon of light, a testament to what can happen when an investment is made into a forgotten community in the city. Now in its 18th academic year, the school has grown to more than 700 students in 3 locations (all planted urban communities).

What makes this educational institution so unique is not its significant growth in enrollment or physical locations but rather its distinctive mission.



GREG ENAS

BUSINESS



“The Oaks Academy is a Christ-centered school that exists to provide a rich, classical education to children of diverse racial and socioeconomic backgrounds, preparing them to succeed in a rigorous secondary educational program and to demonstrate spiritual, social, and emotional maturity.”

For a school to reach the heights which The Oaks Academy has attained, it takes many hands, hearts, and minds coming from many professional sectors. The Oaks Academy’s history is an example of how these many hands, many from the business arena, can work collaboratively to help facilitate human flourishing in troubled spaces in society.

ANDREW HART, CHIEF EXECUTIVE OFFICER

Having served as Head of School at The Oaks Academy from 2002-2015, Andrew Hart has transitioned to his present role as Chief Executive Officer. Mr. Hart is passionate about the work of The Oaks Academy - in the lives of the students who attend, the parents who serve, and in the communities the school resides. It does not take much conversation with him to quickly assess that he has a breadth of experience which reaches beyond the traditional educational environment. In fact, Andrew came to The Oaks Academy directly out of industry, having worked in Marketing Strategy and Business Development at Eli Lilly and Company. Not only does he clearly value the benefits of his marketplace experience as he oversees The Oaks Academy, but he also is a firm believer that it has taken a diverse group of professionals to build The Oaks Academy and both for-profit and non-profit business experts have had a significant role to play.

The school has a rich history of engaging local business professionals to serve on strategic task forces to think through planning issues which will drive organizational decisions for the future. Additionally, there is a strong business presence on the board of trustees.

Two such professionals investing their time and talents are Mr. Dennis Barlow and Ms. Tina Gridiron.

DENNIS BARLOW – CHAIRMAN

A native Hoosier, Dennis Barlow serves as Chairman of the Board of Trustees for The Oaks Academy. He has served on the board for five years and, for the past seven years, he and his wife Angela’s three children have attended The Oaks Academy, which is a tremendous benefit not only to their children but their family as a whole. Dennis was introduced to The Oaks Academy in the midst of looking for an academically rigorous educational environment which was faith-based within the Indianapolis area. Once they found The Oaks Academy, he and his wife began to engage by serving in several parent volunteer support roles, a stated expectation when joining the educational community.

Dennis is clear on the impact that The Oaks Academy has had on the community in which it resides and serves. Dennis states, “The Oaks lives out its commitment to serve all learners.” It is this commitment to the serving of learners regardless of socio-economic status, residential neighborhood or race/ethnicity that motivates his service. He feels that the school actively lives out the words written in the Gospel of Matthew which call for the feeding of the hungry, clothing of the naked, the serving of all in need.

In his board service, Dennis brings much of his professional expertise to bear, particularly his ability to encourage and support the utilization of effective industry practices such as financial planning and modeling as a strategic guide to planning future organizational ventures. Beyond his service as chairman, he has served on multiple task forces performing due diligence on various topics with the intention of charting future courses of action for the school.



BUSINESS &

UNIVERSITY



TINA GRIDIRON – VICE CHAIRWOMAN

Ms. Tina Gridiron, Vice Chairwoman of The Oaks Academy, is a transplant to Indiana. Being born and raised in California, she moved to Indianapolis 15 years ago. Her most striking early memory of The Oaks Academy was attending a student chapel in which her heart was deeply moved by the overwhelming energy and joy in the room. Her two children presently attend The Oaks Academy and are having an incredible learning experience. She views the benefits of The Oaks Academy as being the strong faith connection, the commitment to academic excellence, the approaches to character building, student diversity, and the undertaking of urban renewal.

Tina has an extensive background in higher education and is presently professionally engaged at the Lumina Foundation. She has served on the Board of Trustees for The Oaks Academy for three years and has found great fulfillment in investing her professional talents into the organization. She can bring her deep knowledge of post-secondary education and the necessity of educational quality across all levels of learning to her work on the board. Furthermore, her robust career experience has allowed her to garner a substantial professional network which can be utilized to make meaningful connections for the school.

What Tina loves most about The Oaks Academy is its clear demonstration of commitment to mission. “The school has been an organization which has modeled its mission even in the midst of growth.” She feels that the school continues to “serve as a beacon of light” through the education and character development it is providing in an urban center which was overlooked for so long.

A CALL TO SERVICE

Both Dennis and Tina agree that professionals from the business sector possess skills which can make a significant difference when invested in the context of community serving organizations. In this way, the abilities and knowledge gained in the boardroom, office, and manufacturing plant have valuable currency extending well beyond the industry of employment.

Concerning why she serves it is simple to Tina, “I am not a benchwarmer. I want to be a part of the growth and change.” It is clear that Tina sees a change in any community environment to be dependent upon those who have been given to, stepping up and seeking opportunities to give back. As a word of advice for professionals who may be seeking out the right opportunities to give back, she recommends an exercise which she was given by a mentor when she arrived in Indianapolis years ago. Make a list of leaders within the community who are engaged and facilitating positive change. Begin to meet with the members of that list for lunch or coffee, get to know them and get to know what they are engaged in both professionally and voluntarily. This will begin to open up your understanding of where the needs are in your city/community and where you may fit in serving them.

Dennis believes strongly that professionals should engage in community service. He recommends they seek service opportunities which allow their passion and skills to come together. It is when professionals can identify these points of alignment that they will be able to make a meaningful contribution to an organization, project, or cause.

Hearing Dennis’ story of searching for a school, finding a school, and then getting involved, it can begin to sound like a simple string of happy coincidences; however, Dennis is very clear that what he has experienced in The Oaks Academy has been much more than coincidence. “In our family, we like to say that there are no coincidences, only GOD-incidences.”

That is sound advice for the business professional. Seek the God-incidences in your life and community and begin serving in that direction. ▼



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“ I am not a benchwarmer. I want to be a part of the growth and change. ”
-Tina Gridiron



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-Debbie Philpott



Under the laws enforced by EEOC, it is illegal to discriminate against someone (applicant or employee) because of that person's race, color, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, age (40 or older), disability or genetic information. It is also illegal to retaliate against a person because he or she complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.

The law forbids discrimination in every aspect of employment.

~ U. S. Equal Employment
Opportunity Commission ("About EEOC," n.d.)

Most human resource management (HRM) professionals recognize the significance of the legal environment as it relates to employment law; however, they face numerous challenges to legal compliance. There are at least four reasons such challenges exist: (a) the number of employment laws; (b) span of legislation— with the need to be knowledgeable of local, state, and federal laws; (c) court decisions with judicial interpretations (Philpott, 2016), and (d) the fact that "laws often have unanticipated or unintended consequences" (Gomez-Mejia, Balkin, & Cardy, 2012, p. 118). A compounding issue is that equal employment opportunity (EEO) laws can be especially litigious for companies, small to large. One reason for the highly litigious nature of EEO laws is the number of employment areas that are vulnerable to opportunities for unethical and/or illegal employee behavior:

- Recruitment
- Job Advertisements
- Application & Hiring
- Background Checks
- Pay & Benefits
- Job Referrals
- Harassment
- Dress Code
- Discipline & Discharge
- Terms & Conditions of Employment
- Employment References
- Pre-Employment Inquiries
- Job Assignments & Promotions
- Training & Apprenticeship Programs
- Reasonable Accommodation & Disability
- Reasonable Accommodation & Religion
- Constructive Discharge/Forced To Resign

(EEOC, n.d., "Prohibited practices")

When reviewing the Equal Employment Opportunity Commission's (EEOC) web page, listed are the open claims against several companies, including:

- Bass Pro —litigation —failure to hire African-Americans and Hispanics/Latino
- Mavis Discount Tire—litigation—failure to hire women for a number of job categories
- Texas Roadhouse—litigation—failure to hire people age 40 and older for front of house positions (EEOC, n.d., "Home")

A second reason for the litigious nature of EEO laws relates to the potentially high dollar value of settlements or adjudication. For example, in a recent press release, it was announced that "Texas Roadhouse Restaurant, Management Company is to pay \$1.4 million to settle an EEOC sexual harassment and retaliation suit" (para. 1) as a result of discriminatory actions at a single restaurant location (EEOC, 2016, "Texas Roadhouse"). With the high cost of litigation and the risk of exposure, one may wonder why such well-known, and prosperous companies are not able to obliterate discrimination incidences in the workplace or achieve better results through diversity initiatives. After all, there are numerous human resource management practices available, with the mainstay being EEO and diversity training.

There are at least two dimensions of standard EEO training initiatives. "The first is keeping all levels of management up-to-date on current law and labor issues, and the second is communicating to employees about the organization's commitment to a discrimination-free work environment" (Philpott, 2015, para. 2). When addressing the former—management training—it is necessary to go beyond mere updates, however. In part, what is needed is to educate and advise influential managers so they will avoid asking potentially discriminating questions, making inappropriate discriminatory comments, or engaging in other willful or naïve discriminatory management practices. This is especially important for those influential managers who make key decisions in the company. As evidenced by the above references to continued EEO claims and litigation, it would seem that current workplace training initiatives are falling short of expectations and something different is needed. What is that something?

Doing something different in the workplace is certainly the messaging of three cover story articles in the July/August 2016 issue of *Harvard Business Review*. The articles addressed the mostly failed approaches of companies seeking to reap the benefits of a more diverse workforce

and a bias-free workplace. What follows is a brief overview of the problems, reasons, and solutions forwarded by the authors, which are summarized in Table 1.

In the first article "We Just Can't Handle Diversity," Lisa Burrell (2016) addresses the cognitive problem of reconciling the value of hiring a diverse workforce and hiring based on merit when acknowledging that "It's hard to argue with the benefits of diversity, given that decades' worth of studies show a diverse workforce measurably improves decision making, problem solving, creativity, innovation, and flexibility. But most of us also believe that hiring, development, and compensation decisions should come down to merit. Although the two ideas don't seem contradictory, they're tough to reconcile in practice. Cognitive roadblocks keep getting in the way." (p. 71)

The solution offered is supported by the work of Harvard researchers John Beshears and Francesca Gina (as cited in Burrell, 2016), who recommend altering the workplace environment instead of *striving to change managerial mindsets*. Accordingly, Burrell (2016) recommends using "choice architecture--which involves mitigating biases, not reversing them" (p. 74). Through well-crafted communications and limited options, the employer exerts influence to narrow the scope of possibilities so that more rational decisions will be made by management.

In the second article, "Designing a Bias-Free Organization. It's Easier to Change Your Processes than Your People," Morse (2016) interviews Iris Bohnet, who asserts that most diversity training programs are not effective and are a waste of employer resources when reasoning that "diversity programs largely don't change attitudes, let alone behavior" (p. 64). Her solution is premised in part on the 1970s research in which orchestras began using blind auditions to impede biases toward women musicians (a large, drawn curtain kept hidden the gender identity of the auditioning musicians). Bohnet favors the use of "good" behavioral design with examples for pre-hire use including "tools such as Applied, GapJumpers, and Unitive that allow employers to blind themselves to applicants' demographic characteristics" (as cited in Morse, 2016, p. 65). And to thwart after-hire managerial biases, "The same principle applies: Do whatever you can to take instinct out of consideration and rely on hard data" (Bohnet, as cited in Morse, 2016, p. 65).

In the third and final article, "Why Diversity Programs Fail and What Works Better," authors Frank Dobbin and Alexandra Kalev (2016) also acknowledge that corporate efforts to reduce bias and increase diversity have not

changed much over the last several decades. The reasons given for such failed efforts is that “Most diversity programs focus on controlling managers' behavior, and as studies show, that approach tends to activate bias rather than quash it. People rebel against rules that threaten their autonomy” (Dobbin & Kalev, 2016, p. 55). The authors' solutions include three focal areas: “Instead of trying to police managers' decisions, the most effective programs engage people in working for diversity, increase their contact with women and minorities, and tap into their desire to look good to others” (Dobbin & Kalev, 2016, p. 55).

TABLE 1

Summary Comparison of Problems, Reasons, and Solutions in HBR July/August 2016 Cover Stories

	PROBLEM	REASON	SOLUTION
Lisa Burrell (2016)	Hiring for diversity and hiring for merit appear to be irreconcilable	Cognitive roadblocks	Choice architecture
Gadiner Morse w/ Iris Bohnet (2016)	Most diversity training programs don't work	Programs don't change attitudes, let alone behaviors	Behavioral design processes
Frank Dobbin & Alexandra Kalev (2016)	Decades-old program initiatives, with reliance on managerial control, worsen efforts	Do's and don'ts and command-and-control approaches do not motivate people	Diversity engagement, increased contact with women and minorities, social accountability

A common thread running through each of the *Harvard Business Review* articles is that reliance on the same decades-old programming efforts are likely to be as marginally successful in the future as they have been in the past. New or expanded program initiatives are suggested. However, this author questions whether the recommendations are the resolute solutions companies are seeking. Use of a choice architect (Burrell, 2016) to narrow managerial decision-making options raises questions: Who determines the architect? Can all types of potentially biased incidents encountered by management fit neatly into a choice architect design? As it relates to the use of behavioral design processes by Bohnet, as cited in Morse (2016): Do we really want managers to

operate in the “blind”? What of the long-term impact—will such blinding of management's decisions be limited to only issues of diversity? And is it wise to rely less and less on—or even withhold—do's and don'ts training while simultaneously encouraging increased managerial contact with women and minorities (Dobbin & Kalev, 2016)? Is playing up to the human “need” to look good in the eyes of others, aka social accountability (Dobbin & Kalev, 2016)—a desirous alternative approach? What might be the undesired crossover effects in other management functions if the company idealizes a managerial focus on appearances or always being positively perceived by others? Could it encourage narcissistic tendencies?

Without doubt, the issues and topics of racism, equality, diversity, prejudice, and discrimination are complex. And the valiant efforts of others—including Burrell (2016), Morse (2016), and Dobbin and Kalev (2016)—are commended for bringing the problems to light and focusing scholarly efforts and conversations on practical solutions. However, what is being suggested here is a more holistic approach. Relying primarily on reason or behavior in isolation is typically not enough. The reason is that they do not address the tripartite constitution of humankind. Addressing only the cognitive (reasoning), and the behavioral (physical), leaves void the address of the spiritual (being) nature of a person. The problem asserted here is that most diversity and other training initiatives are aimed at knowing and doing, but leave out being. Yet, “it is that inner disposition of the heart which influences our outer behavior, actions, reactions, choices, decisions and words” (Proverbs 4:23; Matthew 12:35; 15:19; Galations 5:22-23, Luke 6:45; “Gateway Biblical Counseling,” n.d., para. 4).

TABLE 2

Summary of Diversity Problem, Reason and Holistic Solution

	PROBLEM	REASON	SOLUTION
Philpott (2016)	Most diversity training initiatives focus on the cognitive (knowing) and behavior (doing)	It is difficult to change an individual's values, attitudes, beliefs and expectations—at the same time, it is easier to implement and control policies, procedures and processes.	A tripartite approach set within a values-based culture—with integration of various initiatives to include: values-based hiring and initiatives aimed at personal and social construct in addition to those that are cognitive and behavioral centric

To be successful, the aims and objectives of the EEO training need to take on a more balanced, tripartite approach through integrated use of various initiatives, including: information; awareness of values, attitudes, beliefs, and expectations; behavior; and culture. Empirical research supports this contention: “Leaders who target employee’s values, attitudes, beliefs, and expectations are more effective than those who simply focus on workers’ behaviors and thought processes” (Clawson, as cited in Snell, Morris, & Bohlander, 2016, p. 55). Practical solutions include establishing a values-based culture and implementing values-based hiring. Initiatives providing employees with guided exposure to new and different situations to opportune a change in personal and social constructs are also needed, as supported by Bohner (as cited in Morse, 2016), who recognizes that for “beliefs to change, people’s experiences have to change first” (p. 67). ▼

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HOW SOME CORPORATIONS HAVE A SOUL

— & Why It Matters for
Modern Society and Economics

Capitalism and Calling

Max Weber's Protestant Ethic and the Spirit of Capitalism is associated with a single causal claim: that ascetic Calvinism inadvertently brought into being the modern capitalist system of rationalized and organized profit-seeking. While some read Weber's book as a triumphant story of the power of Protestant faith to foster economic betterment, many ignore the fact that Weber's Protestant Ethic concludes with another causal claim — and on a note, that is profoundly pessimistic concerning the prospects for faith in the modern world.

Economics and religion have been pitted against each other for most of the twentieth century, which is due in large part to the work of intellectuals like Marx, Weber, and Durkheim. These thinkers elevated the role of economics in almost all aspects of our life. Economics influences when we get married, how many children we have, how to think about what home to buy, and where to send our children to school.

In part because economic considerations undeniably permeate many non-economic activities and relationship, economics as a discipline increasingly refuses to recognize any limits to its theorems. It has thus become an imperialistic discipline that pervades other domains and disciplines because it assumes its analytical categories of cost, preferences, employment, and opportunities are universally applicable across all social sectors of society. Like a physicist who studies the world by doing the same experiment over and over again until he discovers a mathematical law that elegantly predicts the future state of a particular object, an economist attempts to emulate the style and elegance of physics in order to discover the laws of economics. It is no surprise, therefore, that most economists assume that people will follow the law of utility maximization and choose the best possible combination of goods and services to enable them to achieve the most satisfaction regardless of non-economic factors or beliefs. Most of these economists also believe that since profit-maximization is the guiding principle underlying most

Rebecca Samuel Shah

firms, most entrepreneurs will undertake actions and make decisions that maximize profits at any cost.

Given the tendency of people and firms to optimize their own utility and profit, it is hard for us to imagine any other way to understand human behavior. We have become accustomed to regard the pursuit of self-interest and individual gain as indispensable part of human activity. The origins of this prevailing form of self-interest and individualism that we now take for granted can be understood by looking at the changing interpretation of “calling” since Luther first took the word previously used only for priestly or monastic calling and applied it to all worldly duties. In addition, Calvin’s teachings on predestination, grace and salvation introduced qualities of self-control and discipline once required of a medieval monk into the lives of every Christian in the world. But such qualities of self-control and discipline were realized most fully only in so far as the individual pursued his God-given “calling.” A Christian, in Calvin’s view, is called by God to perform “appointed duties in his particular way of life.”

From seeing calling as the tasks required by God to “establish the heavenly reign of God upon earth,” calling was reduced to performing particular jobs and activities, and a division of labor based on social order was born. With the innovation of identifying callings as employment and activities, Christians were strongly urged to do *their* own work and not to interfere with another’s business. The tendency to value individual interest as against collective activity and even charity to one’s neighbors slowly began to gain a foothold in the community. As R.H. Tawney suggests, an individual pursuit of salvation made more sense to those for whom the personal prosperity was attainable. Thus, the earlier vision of a group of Christians working together to build the church and establish a heavenly kingdom on earth was transformed into one in which where individuals worked diligently yet independently to secure their own separate salvation.

With a focus on employment and gainful activity came a revolution in the attitude towards wealth and riches. Riches lost their neutrality or even more commonly their negative common valence and became a positive good. There was an increasing openness to wealth and the accumulation of riches. Richard Rogers, a Puritan leader, said that “*godly thrift*” was acceptable and that “*the diligent hand maketh rich*.” Once riches and wealth accumulation had become an acceptable and even expected fruit of one’s labors, it was not long before a separation between religion and calling began to take place. A Christian was advised that they must *not only mind heaven but also his calling*. A person’s calling

was now seen as something distinct from direct, religious service to God. People were told to labor in their “secular” calling for six days of the week and to dedicate the seventh day to the Lord.

We can see why Weber concludes his writings in *The Protestant Ethic* with a sadness about the end of the glorious age when faith and capitalism were so intimately intertwined in search of the Kingdom of God. Thereafter, “the religious roots died out slowly, giving way to utilitarian worldliness.” Weber detested the economic culture and creeping materialism that took the place of true Christian calling and he remained deeply pessimistic because he was persuaded that modernity has made religious and ethical lives impossible.

"Since asceticism undertook to remodel the world and to work out its ideals in the world, material goods have gained an increasing and finally an inexorable power over the lives of men as at no previous period in history."



Weber concludes that in bringing about the capitalist system, the world-transforming faith of Calvinist Christianity acted in effect as its own grave-digger. As soon as the capitalist system of organized profit-seeking emerged from the cosmos and ethos of Calvinism — once the economic train left the religious station, as it were — it became an unstoppable engine of comprehensive societal transformation, including cultural, political, social, as well as religious change. According to Weber, though Calvinism birthed capitalism, the capitalist system turned Calvinism into the iron cage of modernity — a disenchanted world with little room for Calvinist faith, or any ethical or religious spirit whatsoever.

One cannot serve both God and Mammon, Weber surmises, and it is clear that the entire system of modern life is structured to serve one and not the other.

But is it true? Much rides on the question. If it is true, the implications for our understanding of modernization, secularization, and religion are profound. As Alasdair MacIntyre suggested in a number of his early writings, if the capitalist system stifles faith or squeezes it into the margins of modern life, then whatever “religion” might remain has nothing of the public, authoritative, and comprehensively transformative ambition characteristic of pre-modern Christianity. No religious revival, no recovery of religious élan, can change this intrinsically and profoundly

constraining structural context. Moreover, if the modern capitalist system in effect becomes a force that acts on religion but cannot be acted on by religion, then it becomes an impenetrable and unstoppable driver of modernization and secularization, just as Max Weber, the young Peter Berger, Bryan Wilson, Steve Bruce, and other sociologists of religion have insisted. If religion appears to penetrate public debate and political forums and contests such as electoral campaigns but cannot penetrate and influence the economic sphere to any appreciable degree, then claims of a religious “resurgence” or “comeback” in the world are doomed to be superficial. At worst, if economic change is the core driver of modernization and secularization, and economic dynamics remain essentially unaffected by religious forces, then, in the long run, secularization remains as valid and predictive an account of religion’s ultimate place in the modern world as ever.

On the other hand, is it possible that religion remains powerful enough to “re-enchant” the “iron cage” of capitalism? Is it possible that people of vital religious faith can pursue economic activity for purposes other than economic accumulation, narrow self-interest, and personal gain? Given Weber’s “melancholy of modernity”, and the apparent triumph of modern-day capitalism in shaping our lives and the ways in which we think about our lives, it is nearly impossible to believe that religious faith could “re-enchant” the iron cage and provide a new conception of enterprise and enable the entrepreneurs to seek innovative ways of understanding success and creating value. In the context of modernity, can people of vital religious faith operate according to a different business ethic, one that is meaningfully oriented to religious goals and principles, such as charity, justice, self-denial, thrift, and stewardship? If, and only if, religious faith has a fighting chance of being a driver of modern economic enterprise rather than merely its hapless victim, then religion has a fighting chance of remaining a vital force and engine of change and innovation in the modern world as a whole.

Weber reminds us that to fully understand why early Protestants were swept up by the “spirit of capitalism,” we must understand the “permanent intrinsic character of their religious beliefs.” If, like Weber, we believe that the behavior acquired from beliefs endogenous to Protestantism gave rise to modern capitalism, we should then be open to studying the religious behavior of Christian entrepreneurs today to determine if their religious faith has been able to unlock the door of the iron cage and give them the freedom to live differently. I suggest that the same religious faith that provided the disciplined and rational work force without which modern capitalism would be impossible can also work

to shape the fundamental values of Christian entrepreneurs. The result is that these entrepreneurs may not feel compelled to submit to the laws of “utilitarian worldliness” and will seek to pursue other values that place human wellbeing before profit.

Indian Christian businessman David Lobo, who runs a hybrid coconut farming business, states



"I don't let profit be my most important consideration. I think [of] profit as well as social development. The service rendered to society is a very important consideration."

According to a traditional view of entrepreneurship, business contributes to society by making a profit, which in turn provides employment, wages, investments, taxes and so on. Just having a business is an automatic benefit to society. If the poor benefit from business, it is simply an unintended but beneficial side effect. However, David Lobo’s first priority has been to provide the best service and products to society and especially to the poor, even if it means it will take longer to realize a profit and become sustainable. For David, service is the primary motivation for undertaking a business enterprise, and profit is a long-term side effect, albeit a positive and welcome one. As he said to me, “Normally a businessman would not go into the coconut farming business. But when I saw that there would be a unique and great service to the farmers, I went into this business to help the farmers first.”

In a sense, under the leadership of David Lobo, his company, DeeJay Farms, has reset the boundaries of what is “profitable.” He has redefined profit to include the service of his customers. In his words, “a sale is not complete until the customer gets his expected benefit.” David’s robust Catholic faith has enabled him to redefine his success by placing the customer at the heart of his business. As he elaborates, “[P]rofit is not the primary element. The primary element is services rendered to society. I don’t get into businesses that don’t give me a return. Then it is not business; it is another activity that I am also involved in.... But this business is based on service.”

Consider how Christian philosopher Nicholas Wolterstorff describes Max De Pree, the former CEO of the Herman Miller furniture company and committed Christian, and the way De Pree understands the purpose of his business:

“If Max did not think the purpose of business was to make money, what did he think its purpose was? Slowly it came out — mainly in the form of stories he told about decisions he had made over the years in running the company. One of the purposes of business is to provide good and fulfilling work for the employees. At one point, Max even talked about work being a healing experience for some of the employees. Another purpose of business is to provide customers with well-made products that serve a genuine need, doing so in such a way that one secures customer satisfaction. It was when he talked about products that Max’s ideas about good design entered the picture. And thirdly, the purpose of business is to pay the employees enough to support themselves and their families with decency. Those, said Max, were what he saw as the purposes of business.”

“But if these are the purposes of business, where does making a profit come in? Profit, Max said, is like breathing. We have to breathe to live, but we do not live to breathe. Profit, to put it more flat-footedly, is a condition of a company remaining in business.”

The positive role of Christian faith on business is not new. Few people today, here in the United States and even in Great Britain, are aware of the extent of Quaker involvement in business in 18th and 19th century Britain. From chocolates (Cadburys/Rowntrees/Terry’s/Frys) to banking (Barclays/Lloyds), to shoes (Clarks), the Quakers lead the way in providing the British public with many goods and services for many years. However, around the mid-seventeenth century the Quakers were debarred from official positions and from going to university because of their religious beliefs. They suffered persecution because of their refusal to swear oaths and pay tithes to the Church. Industry and commerce were therefore outlets for people with drive and energy and who, in religious terms, thought for themselves. They were also educated, largely through their own efforts, since they had learned to read and write in order to spread the word.

The Quakers inspired trust. They believed that the truth was the truth, which also meant that as shopkeepers they put their price on goods. The Quaker custom of marking a fixed price on goods was in direct contrast to the prevailing practice of haggling over prices -- practice that Weber refers to as “oriental bargaining.” The Quakers marked a fixed price on their merchandise to ensure that all people regardless of their ability to negotiate, and especially those less skilled at bargaining, would be assured of a fair price. Quaker businesspeople chose to adopt a fixed price simply

to give expression to their profound belief that all men are created equal by God and deserved to be treated as equals. This was an ethical approach but one that was also good for business.

Over the course of the past ten years, I began to question Weber's pessimistic outlook. The reason for these doubts are drawn from personal experience of studying and working with numerous Christian entrepreneurs from all over the world. What I saw was the same religious faith that provided the disciplined and rational work force without which modern capitalism would be impossible could also work to shape the fundamental values of Christian entrepreneurs.

High Ethical Standards

One specific priority of most of the businesspeople I interviewed is their commitment to maintaining high ethical standards. While this commitment can be found amongst non-Christian entrepreneurs, in the case of the people we talked it, their commitment to ethics and values in business is supported by a future-mindedness that is based on God’s omnipotence, providence, and justice. This mindset enables them to have boldness and hope amidst the corruption-riddled environment in which many of their business activities are situated, and to see short-term losses caused by their high ethical standards as transitory.

Within a few years of establishing his manufacturing company, B felt led to tackle one of the hardest aspects of his business: sorting out his taxes. He felt that the Lord was calling him to be a witness to others by declaring all his income and paying his taxes. This was a task made more difficult by the fact that few of his competitors paid their taxes and B knew that if he started paying taxes he would lose a lot of capital and that would constrain his ability to expand the business.

“One of the toughest challenges for me is how we declare my taxes. In Indonesia, the culture is such that no one declares their taxes. About four years ago, I asked myself if I was being the right kind of businessman. I asked myself: can I share my faith through my business? One of my Bible studies blessed me. I started to think about doing things right. I’ve started off trying to fix all that went wrong during this time and I’ve started to pay my taxes in the right way. It has been three years so far. And I’m almost 99% done declaring all my sales. It was a

tough thing to do, especially at this time when I know that my competitors don't declare or pay tax. It's a hard thing to do. It's really a matter of faith."



Indonesia

Moral Imperative of Good Design

Christian entrepreneurs in our study seem to have a deeper understanding of value that appears to transcend the "monetary value" of their business. Value creation for a majority of our entrepreneurs is based more on creativity than on mass production. In other words, instead of the merely mass production of large quantities of books or tractors, for example, a significant number of our respondents focused on producing a smaller number of creative, innovative but higher quality products. Christian entrepreneurs in our study tend to practice what philosopher Nicholas Wolterstorff calls "the moral imperative for good design."

"In the food supplement business the regulations for food supplements in the Czech Republic or even in the entire European Union is not as strict as for the regular drugs. And it means that there is not the same checking of the raw materials like for regular drugs. Because of that you can be tempted to be unethical and say "Ok if there is no checking, maybe my raw materials or active ingredients, can be not say 100% pure but let's say 70% pure." And there are many cases where this is true. But we say, no, we want to be also ethical here in this area, too. As I own a pharmaceutical plant and because we also manufacture regular OTC drugs, I apply the same rules to food supplements as we do for drugs. This is beyond Czech Law.

I do this because of the people who buy our products. The people who buy our products are women, some poor women and elderly people who haven't got much money. We say it is not ethical to sell anyone, and especially people like our older clients, fairly expensive drugs that are of poor quality. If I did that I will not be happy with myself."



Czech Republic

Stewardship

Although wildly successful secular entrepreneurs like Steve Jobs and Bill Gates have used traditional (non-innovative) business models for profit & gain and turned to social welfare/entrepreneurship after the fact as a means to use their gain for good. However, we see that Christian entrepreneurs may often innovate in ways where they are able to effect social good in the midst of doing business for gain. For a large number of the Christian entrepreneurs that we interviewed, stewardship of relationships and resources appears to mean continual investment in improving the companies' products and services, even if it means less profit, at least in the short-term. Unlike Corporate Social Responsibility (CSR), where a company might participate in socially redemptive activities such as encourage their staff to help out at the local food bank or donate computers to an inner city school, the entrepreneurs I interviewed cite the framework of Christian stewardship in order to integrate values of service, justice, integrity, and transparency into the very goals and conduct of the enterprise.

One of the trade unions that we work with is Solidarity. During the apartheid era, Solidarity was a dying trade union with a membership of only 35 thousand and it was a whites-only union. It had many problems with the ways in which member's dues were being misappropriated. They asked us to help them. We went in and helped set up a very transparent system. The membership changed from being whites only and grew to over half a million members. Every single part of that movement runs on our technology and they use it to develop their business and most importantly to care for their members. We have an incredible partnership. It was tearful moment when I found out from friends that they started to brand themselves as Christian organization. One of my prayers was to hear that. Because after years and years of serving them in the most difficult times, I see it was not in vain.



South Africa

Interactions with Stakeholders

Christian faith also appears to shape the way our respondents interact with their stakeholders, such as business partners, franchisees, customers, employees, and society at large. Several respondents stressed the importance of open and transparent communication with stakeholders with a particular emphasis on the need for humility and authenticity.

The 1980's were a very difficult time for manufacturing in the USA. There was a very severe recession in agriculture and this US-based manufacturer of agricultural equipment had to make a tough decision when their bank stopped their line of credit.

Our bank cancelled our line of credit and to continue operating in manufacturing without a bank seemingly is impossible. When that happened I took 60 hours for prayer and fasting as to what I might do and one simple message came out of that: "do unto others as you would have them do unto you." So, I put myself in the shoes of the 238 people to whom we owed money at that time, and I sent them a very lengthy letter explaining where we were at and the odds of them getting paid back under various circumstances. I gave them 3 options, and only one of the 238 moved against us to sue us for payment. Everyone else went along a plan that happily things turned very, very well. The 237 people that waited for us and with us, still doing business with a big chunk of them and they have been rewarded many times over for their patience with us.



United States

Equality and Justice

Many business leaders want to provide a good work environment for their employees. Our respondents are no exception, but they tend to view their employees through a Christian understanding of equality and justice, which appears to encourage a sense of responsibility to care for them, especially those at the lower levels, and a sense of justice in allowing workers to enjoy a robust share in the success of the company.

One of the ways in which Christian entrepreneurs demonstrate their commitment to equality is to enable their staff to have an equal opportunity to achieve their goals by providing on-the-job training and professional development opportunities for all workers, but especially for workers at the lowest levels.

In the United States, we see a sense of justice appeared to motivate our entrepreneurs to ensure that their staff would benefit from the best healthcare that they could provide.

In the late 1990's the question of whether my company should provide health care benefits to same-sex people and unmarried couples came up. I was deluged with comments from my Christian fellowship group saying, "you must take a stand on this, you cannot allow this to happen." Having that realization that I was responsible for making the important decision, I called around to different places to help me to make my decision. I came to the point where I said that I needed to do this; I needed to provide healthcare. What was compelling and helped me make the decision was the fact that access to healthcare is a very important of element of life in the United States. As I saw it, people in this company, in the United States, needed good healthcare services and as an employer I needed to provide it.



United States

Here were a group of people whose faith had enabled them to be in the modern capitalist system but not of it. As Christians, these entrepreneurs were able to influence how they interact with their economic competitors, respond to pervasive corruption in their contexts, and allow their faith to influence the goals and purposes of their enterprises. The result is that these entrepreneurs may not feel compelled to pursue other values that place human wellbeing before profit. These entrepreneurs are bringing their faith onto factory floor and into board rooms often in very difficult environments. ▼

RWANDA

meet jean

Jean became head of his household at age 8, toiling in Rwandan fields with his mother.

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Jean in front of his mud-straw home circa 2002 with a picture of his sponsor and role model, Reg.




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STEP 1: Pray for Wisdom

STEP 2: Determine the type of advisor you need

STEP 3: Determine your criteria for selecting an advisor

STEP 4: Interview those that meet your criteria

STEP 5: Make your selection



Industry Regulatory Authority (FINRA). Financial managers may have a variety of other financial professional designations. Financial managers are usually paid a commission, ranging from 2% - 6% of the transaction amount.

3. REGISTERED INVESTMENT ADVISOR (RIA) –

Registered Investment Advisors differ from financial managers in that they are licensed by FINRA to sell advice to their clients. Instead of collecting commissions on transactions, RIAs are usually compensated as a percentage (i.e. 1% – 2%) of the total assets each client has under advisement.

4. FINANCIAL PLANNERS – Financial planners are designed to offer clients a more holistic approach to decision making. The most noticeable designation for financial planners is the CERTIFIED FINANCIAL PLANNING™ designation offered by the Certified Financial Planning Board of Standards, Inc. Financial planners will usually charge clients per plan they write on behalf of a client or will charge an hourly rate for their time with clients.

As you look at the various types of financial professionals, it is important to understand that financial professionals may fall into multiple different categories and it is incumbent on you to determine in what capacity the advisor will be working with you.

STEP 1: Pray for Wisdom

This may seem obvious, but when it comes to seeking a financial advisor, it is imperative that you pray for wisdom and guidance from the Holy Spirit throughout the entire process. Be mindful that the Holy Spirit is our truth:

"But when he, the Spirit of Truth, comes, he will guide you into all the truth. He will not speak on his own, he will speak only what he hears, and he will tell you what is yet to come." (John 16:13)

Take this Scripture together with the wisdom of James:

"Now if any of you lacks wisdom, he should ask God, who gives to all generously and without criticizing, and it will be given to him. But let him ask in faith without doubting. For the doubter is like the surging sea, driven and tossed by the wind." (James 1:5-6)

STEP 2: Determine the type of advisor you need

There are many different types of financial professionals, each with their unique educational and experience requirements. Although this article will not go into detail, I will briefly identify each type of financial professional.

1. FINANCIAL COUNSELORS – Financial Counselors are trained to help establish personal budgets, evaluate current debts, and set financial goals. One of the most notable designations for financial counselors is the Accredited Financial Counselor (AFC®) which is offered by the Association of Financial Counselor and Planning Education Association. Most financial counselors are paid either by appointment or by the hour.

2. FINANCIAL MANAGERS (STOCKBROKERS) – Financial managers act in a capacity to sell securities to a client, and in many cases, will earn a commission for each sale they broker. These financial managers are required to pass several national exams offered by Financial

STEP 3: Determine your criteria for selecting an advisor

As you look to determine the important criteria of your potential advisor, there are several areas that you should evaluate.

• **TECHNICAL COMPETENCE** – What specific training/designations does the advisor have that will make them competent? You can conduct some research by going to FINRA's website and search professional designations.

• **EXPERIENCE WITH SIMILAR CLIENTS** – You will want to make sure you inquire into the type of clients with whom the advisor works most frequently. If you are in your mid 30's, an advisor that works exclusively with retirees may not be the best choice.

• **WISDOM/JUDGMENT** – Pray for appropriate questions that will help you identify the wisdom of the advisor over and beyond their technical competence. One organization to consider is Kingdom Advisors, an organization that seeks to help advisors implement biblical wisdom into their practice. Kingdom Advisors offers training to advisors and has a search feature on their website.

• **FEES, SERVICE MODEL, AND LOCATION** – You will want to discuss these components with all potential advisors.

STEP 4: Interview those that meet your criteria

Once you have determined your criteria for selecting an advisor, you should begin to search for advisors in your area. It is often beneficial to ask friends and co-workers for recommendations. Once you have gathered some names, you should contact each advisor and ask to interview them in person. This will give you an opportunity to inquire into their technical competence by asking for their credentials, discover their general client demographic, and to discuss relevant topics to you such as faith integration or what you expect in a professional relationship. You can also use FINRA broker check's service to gather additional information about the financial advisor.

STEP 5: Make your selection

Once you have narrowed down your options, you may feel a second interview with each advisor is necessary. If so, prepare for the follow-up interview by having your questions ready. Remember to pray for the Holy Spirit's guidance throughout the process. Once you feel comfortable with one advisor, you should be ready to establish a financial planning relationship with that person or team.

CONCLUSION

Selecting a financial advisor is not a process to be taken lightly. An advisor needs to understand your role as a financial steward and be able to help you make wise decisions with the financial resources entrusted to you by God. Allow the Holy Spirit to guide you in the process as you evaluate your options. Remember,

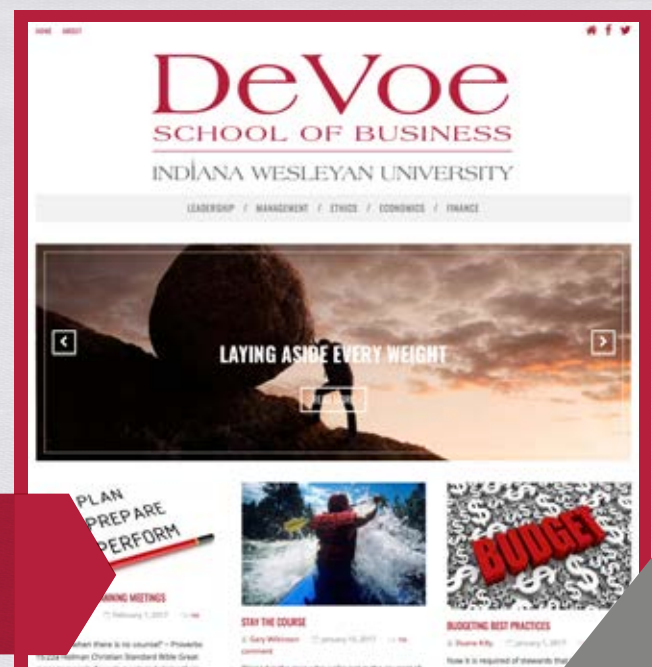
“The way of a fool is right in his own eyes, but a wise man listens to advice.”

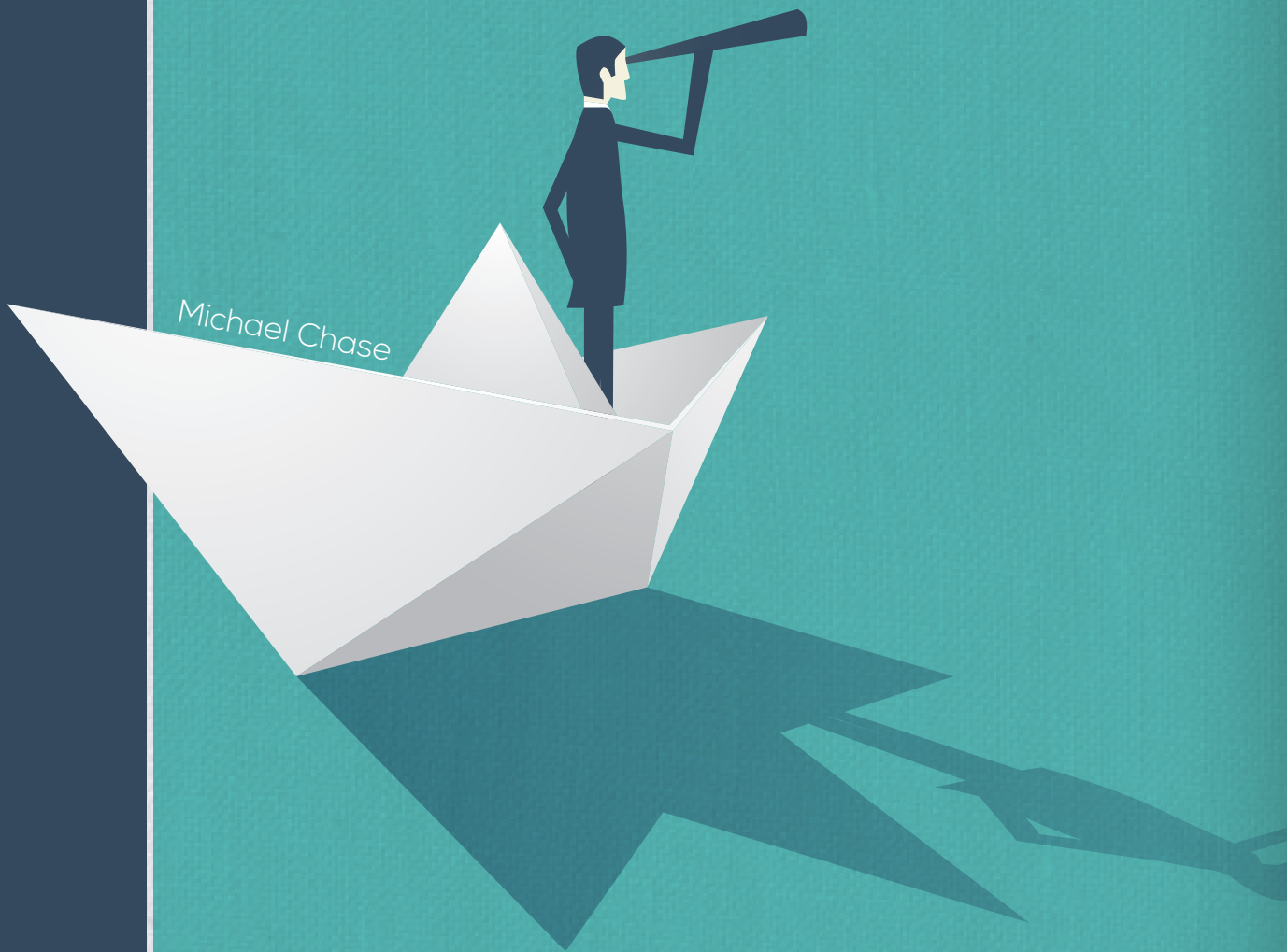
(PROVERBS 12:15) ▼



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How Are You Set For Your *NEXT BATCH OF LEADERS?*

*e*ffective leadership is imperative to the success of any organization or business.

Good managers can mitigate the effects of poor leadership to some degree. But in order to thrive in the longer term, organizations need quality leaders to act as caretakers of the organizational mission and vision, and to fill the roles of key strategist, motivator, and role model. It is often stated that people want to be part of something bigger. They want to make a difference in what they do in their work. Effective leadership helps make this happen by clearly articulating how the simple things an organization does contributes to accomplishing a bigger purpose.

Unfortunately, experts are saying that talented leaders are hard to come by these days. Competition is keen for high quality employees, especially those with good leadership potential. Contributing to the much discussed leadership shortage is the changing face of today's and tomorrow's workforce. According to the Pew Research Center (2015), Baby Boomers will turn 65 at the rate of 10,000 per day between now and 2030. Simple calculations indicate that is over 50 million workers leaving the workforce over the next 14 years. These numbers beg the question "How will employers replace these key workers, managers, and leaders?" Many employers are quickly ramping up their human resource development systems and refining their internal succession planning efforts. If your organization has a good succession planning process bursting with high quality prospective leaders, you are in a position that some organizations might envy. However, even with the best efforts to prepare current employees to fill these vacated leadership roles, chances are that most employers will need to find a significant amount of replacement talent through the recruitment and hiring of candidates from the external labor market.

If your organization is in a position where it may need to depend on the external labor market for its next generations of leaders, you may want to make sure your organization will be in the running when it comes to competing for quality talent. There are many factors that help position a business or organization in terms of recruitment and hiring of new personnel. Below are listed just a few questions to stimulate your thinking as you begin contemplating your organization's position.

1. Do you know what it takes to generate an adequate pool of applicants? Advertising in the classified section of the local newspaper may no longer be the best way to generate a good pool of applicants. In this digital age, tech savvy employers are using a multitude of electronic media to draw applicants. Is your company website attractive and easy for job seekers to navigate? Are your applicant screening processes tried and true? Generating a pool of candidates is just the beginning of the process. Determining which applicants to interview and move forward through the process is a critical factor in getting the right candidate on board. Will all your hiring practices stand up under legal scrutiny? A legal audit may be in order for your application and hiring process if it has not been tested for legal compliance lately. Is the selection process professional, rigorous, confidential, and at the same time applicant friendly? For potential employees, accepting a new position with a new organization can be as much intuitive as logical.

2. What does your rewards package look like? While the total rewards package will not always be the primary mechanism to draw new talent, it could be one of the factors that tips the balance between employers. Do you know if your total rewards package (salary, benefits, perks) is competitive in your market or industry? Knowing what others are paying, and where you wish to position your organization is an important strategy when determining pay. Do you know what benefits will draw the type of applicant you are seeking? Millennials, Gen-Xers, and Boomers may not be interested in the same "standard" package of benefits.

3. Is your story compelling? Will the mission, purpose, and vision of your organization capture the hearts and minds of potential employees? Employees want to work for something bigger than just a paycheck. They want to work for an employer

that will provide them a job with meaning and purpose. What is your reputation in your market and industry? Is your organization considered an employer of choice, a place where people stop while looking for a better opportunity, or somewhere in between? Reputation goes a long way in attracting quality talent. Will potential employees like the feel of your organization's culture? Again, intangibles are significant when potential employees are making employment decisions.

4. Are there opportunities for advancement? Many potential employees will look for adequate resources dedicated to training and development. Are there individuals available who can coach and mentor new employees and developing leaders? Is there a career path? Quality people are looking for organizations they can grow with. Opportunities for advancement, which can include opportunities for personal and professional growth, can make an organization very attractive to an applicant. If they perceive an employer is willing to invest in them, they may be willing to reciprocate.

5. Does your organization provide an environment that encourages creativity, collaboration, innovation and risk-taking? Are these behaviors encourage and/or rewarded? Budding leaders will typically want to try new ideas in collaboration with colleagues. Providing an atmosphere that allows for trying new things can be very appealing to budding leaders. Can an employee readily see the linkage between their performance, their rewards and future opportunities?

If the experts are correct (and I believe they are), organizational leaders need to periodically step back and evaluate their organization's overall "appeal factor." As the economy continues to become more global in nature, and markets and industries continue to crowd up with competitors, an organization's ability to attract and retain quality talent may become its primary competitive advantage. Is your organization ready to compete for a new batch of talent?

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Brand Name Drug	Authorized Generic	
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✓	Inactive Ingredients	✓
✓	Size & Shape	✓
✓	Taste	✓
✓	Mouthfeel	✓



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To model business success while living the Great Commandment and the Great Commission



Our Vision

Reach the world for Christ while building a world-class healthcare organization

Financial Account ABILITY

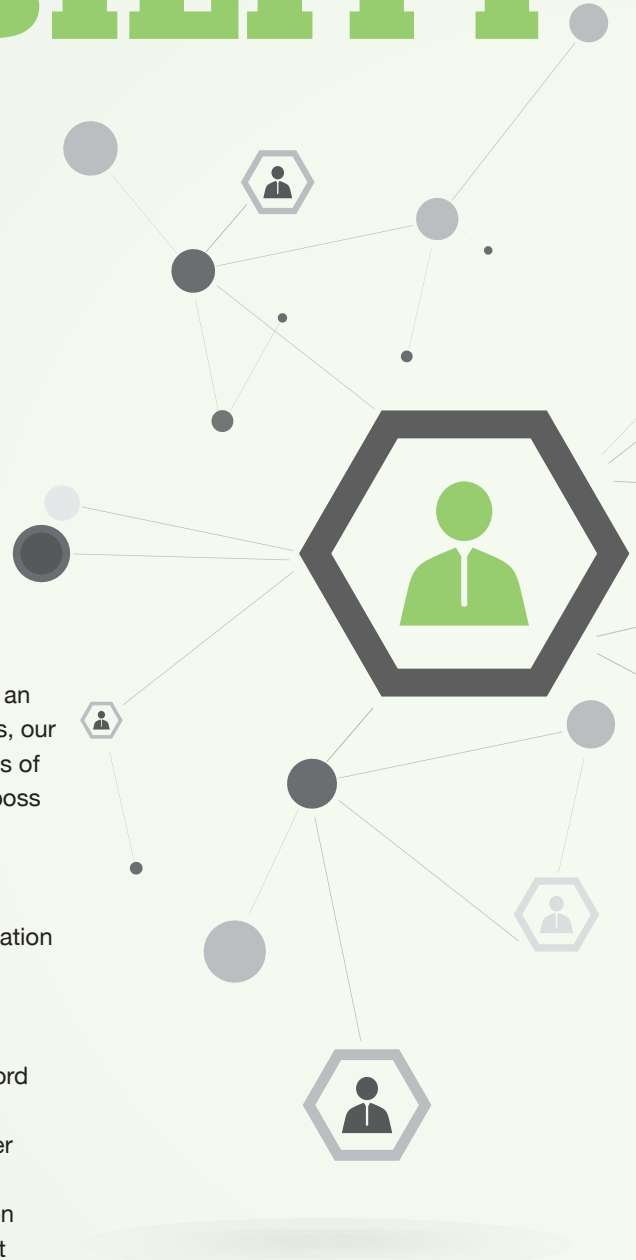
Justin Henegar



Accountability is a familiar topic. We have all had to give an account for our actions and behaviors, whether to our boss, our employees, or even our spouse or significant other. Examples of accountability could be an annual performance review with a boss or a shareholder meeting for business managers and executives.

The most significant area of our life that warrants accountability is in our money management. Unfortunately, most of us have very little accountability in this area. This is problematic and can be one explanation for the myriad of financial issues that are common today.

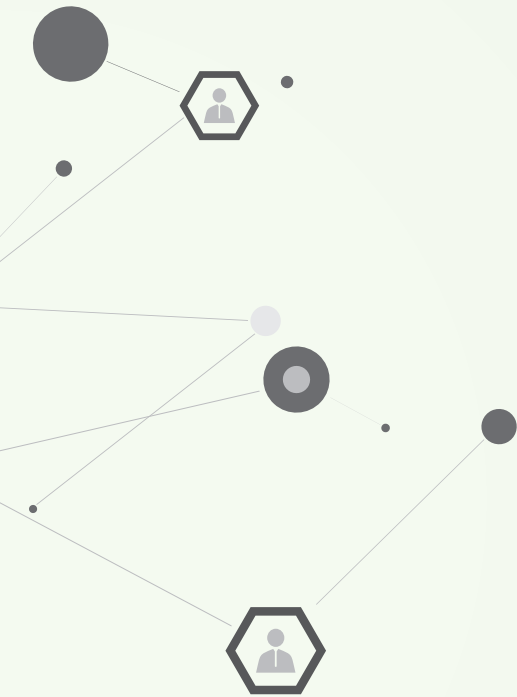
To better understand accountability, we need to examine the definition and origin of the term. Although it may seem obvious, the words “accounting” and “accountability” are derived from the root word “to account.” Understandably, our tax returns provide an account or explanatory statement of our income and expenses to the IRS in order to determine our tax liability. Unfortunately, the term “accountability” has proven more difficult to define as researchers have yet to agree on and identify the constructs of the term. Ebrahim (2003) offers a robust definition of corporate accountability as “the means through which individuals and organizations are held externally to account for their actions and as a means by which they take internal responsibility for continuously shaping and scrutinizing organizational mission, goals, and performance.” More broadly though, accountability may be identified as a relationship in which one party transfers responsibility, which may include appropriate resources, with an expected outcome to another party who accepts such responsibility. It is the responsibility of an expected outcome that establishes the root of accountability. (Gray, 1983; Ebrahim, 2003).



As we explore this idea of accountability, specifically as it relates to financial accountability, we seek to explore why financial accountability is so challenging as well as explore ways to establish financial accountability.

WHY IS FINANCIAL ACCOUNTABILITY SO CHALLENGING?

For most everyone, providing a performance evaluation to someone else is part of our job responsibility. This holds true for most all employees who usually must give, at a minimum, an annual performance review that seeks to identify what tasks were completed, how those tasks



were completed, and the outcomes that were obtained by that employee throughout the evaluation period. Additionally, the employee will also receive constructive feedback from the evaluator as a means to improve their work. If you, for example, are a business owner, then you may be required to supply a performance report to partners, a board of directors, banks, or equity investors. There might be other times that you will be in a position to give a report to someone in which you are responsible for a specific outcome.

Most importantly though, as Christians we are told that we will give a report when we stand before God. Paul writes in Romans 14:11-12:

"For it is written, As I live, saith the Lord, every knee shall bow to me, and every tongue shall confess to God. So then every one of us shall give an account of himself to God."

One day, we will stand before God and explain what tasks we completed (Matthew 12:36; I Corinthians 4:2),

how they were accomplished (I Corinthians 4:2; Proverbs 27:23), and the outcomes of those tasks (Jeremiah 17:10). The report before God is something that will not escape any of us; God has required it. John, in his Revelation, speaks to this accounting (Rev. 20:12):

"And I saw the dead, the great and small, standing before the throne, and books were opened; and another book was opened, which is the book of life; and the dead were judged from the things which were written in the books, according to their deeds."

As one looks at our accountability toward God and our accountability toward those in authority over us, we find there exists at least one common thread: We are all accountable to someone else – to an authority figure and ultimately to God.

Personal financial accountability; however, should differ in that the financial accountability must start with us. It should originate out of an individual desire to be held accountable for our finances. Although simple on the surface, asking someone else to hold us accountable goes against our nature. In looking back at Ebrahim's (2003) definition of accountability, we find that we are held to account for our actions and take responsibility for those actions. The definition poses two difficulties; 1) we must have our actions known, and 2) we must be willing to explain those actions. For many Christians, this concept is humbling when considering the words of Jesus (Matt 6:21) "Where your treasure is there your heart will be also." Keeping this scripture in our minds, we must explore the two-part definition of accountability. First, we must make known our financial transactions to those who are holding us accountable. Just the thought of having an accountability partner know where our "treasure" is being spent may be difficult to handle. Are there transactions on our monthly bank account that we would rather not disclose? If our treasure is where our heart is, then are our financial resources allocated to match our convictions? Once our financial transactions are made known, the second part of financial accountability is to be willing to explain our behaviors. This is more than simply justifying or explaining each transaction. Ultimately, our explanations may not truly align with our convictions due to how we rationalize our thoughts. A behavioral finance concept, known as Confirmation Bias, provides some additional insight. Confirmation Bias is the idea that we seek or interpret evidence (outcomes) in ways that are partial to existing beliefs, expectations, or a hypothesis in hand (Nickerson, 1998). In other words, we can justify outcomes based on our own beliefs and experiences that support those outcomes, thus making our decisions almost always acceptable. Financial accountability, therefore, shifts or transfers the rationale

for decisions to the one you are accountable to in order to determine appropriateness. It is at the discretion of the accountability partner to determine the validity of our reasoning through the lens of our convictions.

WHY IS PERSONAL FINANCIAL ACCOUNTABILITY IMPORTANT?

To this point, we have explained the definition and purpose of financial accountability, as well as why personal financial accountability is so challenging. Without external accountability for our personal financial decisions, we can justify and explain our financial decisions in a way that satisfies our own moral/ethical compass. Moreover, we cannot overlook what God's word says:

Romans 3:10-12: "As it is written, None is righteous, no not one; no one understands; no one seeks for God. All have turned aside, together they have become worthless; no one does good, not even one."

To make the impossible even more difficult, we reiterate Rev 12:20b: "the dead were judged from the things which were written in the books, according to their deeds."

So, if we are unable to do good things and we are then going to be judged according to our deeds, how can we achieve the words of Christ as we enter the Kingdom of Heaven (Matthew 25:21) "Well done, good and faithful servant. You have been faithful in handling this small amount, so now I will give you many more responsibilities. Let's celebrate together."?

ESTABLISHING PERSONAL FINANCIAL ACCOUNTABILITY

We can take comfort that Christ gives us the ability to accomplish great things in His name. "Again, I say to you, if two of you agree on earth about anything they ask, it will be done for them by my Father in heaven." (Matthew 18:19). Accountability, by its nature, requires at least two parties, and the purpose of this accountability is to ensure that our stewardship journey is glorifying to God. Although accountability can be established in many different ways, we hope to provide some guidelines that may be helpful when seeking to establish personal financial accountability. Figure 1 gives a visual illustration as to how one might view accountability:

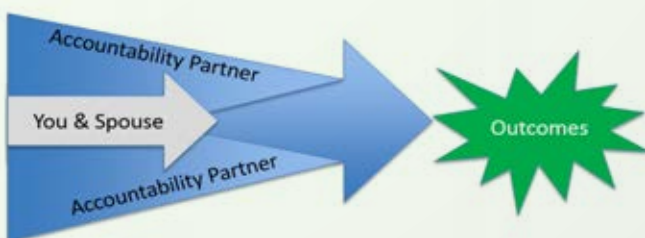


FIGURE 1 – FINANCIAL ACCOUNTABILITY MODEL

When looking at this model, we can note that an individual and a spouse are entered collectively as one. This implies that a person's spouse cannot be an accountability partner. When two people are married, they become one. Therefore, it can be almost impossible to put oneself in an objective position to review financial goals and decisions for a spouse. In conclusion, we recommend that spouses not act as accountability partners.

In the above model, the accountability partner (illustrated as a large blue arrow) surrounds the married couple. This suggests that the accountability partner is older, more mature in their faith, and likely has more life experiences than the one who seeks accountability. When within the confines of the accountability partner, some flexibility is provided in learning and growing in financial decision-making without escaping the boundaries that have been established with the accountability partner.

Note that both the individual and the accountability partner are pointing in the same direction toward the same outcome. This suggests that the one selected as an accountability partner be committed to the same outcome. As Christians, this implies that an accountability partner and the individual must hold to the same goal of utilizing resources that God has given us to achieve God's glory (our ultimate outcome).

SUMMARY

We examined the definition of accountability and also why accountability is difficult. Furthermore, we established the need for personal financial accountability and provided a visual to illustrate appropriate financial accountability. For many of us, being accountable is not a new concept; however, when placed within the context of personal finances, it becomes a very uncomfortable topic. Financial accountability is the idea that we give up being accountable only to ourselves, proactively seeking accountability from a like-minded believer in Christ, so that God may be glorified in our actions. As we seek Godly personal financial accountability, we will experience a paradigm shift in how we view money, and will ultimately begin to make sound and scriptural financial decisions. ▼

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Changing THE World



Can chocolate be a vehicle for changing the world? I often ask the question this way because I love to see the look on my student's faces. They are often unsure what I am asking and most definitely skeptical that chocolate is a vehicle for changing the world. Some are doubtful that you use can use a business to change the world.

I don't know about you, but I want to change the world. I want my life to matter. When I go to bed each night I want to believe that the world is a better place and that my involvement might have played some small part. That is why I teach as a full-time faculty member in the DeVoe School of Business after a 30-year career as a Chief Financial Officer. I realize that I may not be the person who directly changes the world, but I hope that my students will.



THROUGH BUSINESS

DUANE KILTY

I understand the power of the gospel message of Jesus Christ, and education, at a deep level because I have experienced both in profound ways. I am a first generation Christ follower and a first generation college student. I have three married children who, along with their spouses, are active mature Christians. They all have advanced degrees. We have two Ph.D.'s, three master's degrees, one double board certified physician, and a pediatric dentist. The gospel

message and education have changed the course of my family in one generation.

In the classroom, whether onsite or online, I challenge my students to think bigger and to consider the legacy they might leave behind someday. Too often, completing a degree with a full time job and family get in the way of dreaming about the future.

Now back to the question, can chocolate be a vehicle for changing the world? Can a business



be used to change the world? Can commercial activity change a city, or a region, or an industry? Can individual lives be changed forever and for the good? The answer is yes, yes, yes, and yes! This point is important because too often what we see on the news related to business is stories of greed and corruption. Recently, Wells Fargo was in the news because the pressure to sell caused their employees to open thousands and thousands of accounts with fees attached without authorization. Many lost their jobs and the CEO was under extreme pressure. Mylan CEO Heather Bresch, is in the hot seat over significant price increases for the Epi-Pen. Wouldn't it be nice to see positive stories about systemic, long-lasting change? Here is one of them.

As a young adult, Joe Whinney, the founder of Theo Chocolate, volunteered as a conservation volunteer working with Ketchikan Mopan Mayan indigenous cocoa farmers which caused him to be very curious about chocolate. After that experience, he realized that social and environmental problems were really business problems. So he decided he wanted to save the world by making chocolate (Theo Chocolate, n.d.).

After several years of making and selling chocolate in the U.S. and Europe, Theo Chocolate decided to control the manufacturing process and supply chain from the bean all the way to the bar. They did this to control the brand and message. Plus, this gave Joe the opportunity to create lasting change (Theo Chocolate, n.d.).

No other company produces organic fair trade chocolate because the barriers to entry are very high in this industry. Chocolate is very complicated to make and only about twelve companies make the majority of chocolate. These companies control the manufacturing and distribution and have extreme leverage on the producers.

Theo Chocolate cares deeply about where all the ingredients come from. They believe that all life on the planet is interconnected and need their customers to be healthy and well, their farmers to be healthy and well, the planet to be healthy and well in order to be successful and profitable. Their Fair Trade Certification ensures the economic and social integrity of their entire supply chain from the cocoa farmers they work with all the way through to their own factory operations (Theo Chocolate, n.d.).

Theo Chocolate is trying to provide alternatives to practices that have contributed to the social, economic, and environmental degradation where cocoa is grown. Without fair trade, the average cocoa farmer earns less than one dollar per day with very few options to sell other cash crops. The result is they are beholden to an industry that is very oppressive and in some regions the farmers have resorted to slavery to feed their families.

Fair trade provides a transparent negotiating system that allows farmers to improve their quality that in turn delivers a much better price to the farmer. It is having a beneficial impact on the farmer, the planet, and Theo Chocolate.

Theo Chocolate sees themselves as a triple bottom line company; they value people, the planet, and profit in equal measures. None of those things can suffer at the expense of another. As they grow, they have begun to be a voice for doing things differently; they have gained credibility and a platform to tell their story and initiate change in an industry that has resisted it for decades (Theo Chocolate, n.d.).

There are many other examples of companies that use business for good. Pura Vida Coffee is a for-profit coffee company owned by a public charity. They want to create long-term value for kids and their families in the coffee growing regions of the world by improving living conditions of growers. They do this by selling only certified fair trade coffee and pay a minimum price of \$1.26 a pound for the beans they buy, and they put all of the profit back into benefiting kids in those regions (Pura Vida Create Good, n.d.).

The business model of Toms Shoes is to donate one pair of shoes for every pair sold.

They are the one for one company. I could continue naming businesses that try to change the world and still make a fair profit, however, by now I have made my point.

Because Theo Chocolate is not a strong brand at the locations where I teach, most students are not aware of their story. Students are amazed because they had no idea that cocoa farmers have been oppressed. Most people don't know where cocoa is grown anyway. They are fascinated by how Theo Chocolate moved into an industry, grew, used their growth to vertically integrate and become the only bean to bar fair trade chocolate company, and then to use their influence to improve the lives of cocoa farmer. They come to realize that you can change the world through chocolate. I tell the whole story about Theo Chocolate so my students can see the progression. For the founder of Theo Chocolate, the initial curiosity became a dream that became a business. With growth and credibility, the business became a platform for change.

There are two other things I do in every class I teach. First, I share my story so that they simply and clearly hear the gospel message. Second, I challenge my students to dream big, think long-term and pray hard (Batterson, 2011). After hearing the story of Theo Chocolate, the looks on their faces tell me they have begun to think bigger. Some of them begin wondering if they could change the world by starting their own business. Others begin to realize that changing the world might mean making their department operate as efficiently and effectively as possible, and the list goes on.

What I hope most of all is that my students will consider the gospel message of Jesus Christ if they have not already done so, and begin a legacy of faith and education in their family. Change begins within and at home. I can't think of a better place to start. ▼

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A man in a dark suit and yellow tie stands in the center of a large, circular maze. The maze is drawn on a light-colored floor with thick, dark lines. The man is looking towards the camera with a slight smile. The overall scene is a high-angle shot, looking down at the man and the maze.

Quantitative

Justin Henegar



Decision

Analysis

Corporate finance and personal finance have similar characteristics, such as: 1) both require the use of budgets, 2) both have common balance sheets to include assets and liabilities, and 3) both require establishing goals and creating an action plan to achieve those goals. There are obvious differences as well, mainly that corporate finance in most cases uses agents (managers) to act on behalf of the corporate owners to manage the firm's cash flow and assets. On the other hand, in personal finance, cash flows and assets are the responsibility of the owner. Managers of companies use models that will help in making decisions, specifically as it relates to how to appropriately use the company's cash flow to maximize the value of shareholders. There are multiple project valuation tools, such as Net Present Value (NPV), Internal Rate of Return (IRR), and Payback period (PP), that can and should guide managers' decisions on which projects to undertake. There are few, if any, quantitative analysis tools provided in the literature in personal finance that can provide a quantitative approach to making decisions. This approach, Criteria Based Decision Model (CBDM), establishes a quantitative approach that can be used in not only financial decisions, but for most all non-binary decisions. This paper will provide an overview of the three corporate finance project valuation methods and also explain the Criteria Based Decision Model.

Net Present Value (NPV)

Most corporate finance textbooks introduce the concept of net present value (NPV) as foundational calculation in establishing and maximizing shareholder value. NPV identifies projects that a company should invest capital into to generate value that is greater than the original investment. The basic idea of NPV is to discount all future cash flows to determine if the present value of future cash flows is greater than the investment cost of completing the project. Specifically, NPV is found through the following formula:

$$NPV = \sum_{t=1}^T \frac{C_t}{(1+r)^t} - C_0$$

C_t = net cash inflow during the project t

C_0 = Total initial investment costs of the project

r = Discount rate (usually the opportunity cost of capital)

t = number of time periods

Using the formula, NPV will provide a manager with a dollar value that can be either positive or negative. In corporate finance, the decision rule would be that a project with a positive NPV should be accepted as it will provide the company more value than the cost of the given project.

Internal Rate of Return (IRR)

The NPV value equation above is also used in determining a project's Internal Rate of Return (IRR). Simply, IRR is found by setting the NPV equal to zero, so that a corporate manager may determine what the rate of return "r" is for any given project. The IRR formula can be obtained through the NPV equation as follows:

$$NPV = \sum_{t=1}^T \frac{C_t}{(1+r)^t} - C_0$$

$$0 = \sum_{t=1}^T \frac{C_t}{(1+r)^t} - C_0$$

This analysis can be helpful to managers when comparing projects of relative equal risk, thus seeking the project with the higher/highest IRR. The IRR is given as a percent return since we are setting NPV = 0 and finding the project's rate of return.

Payback Period (PP)

A more simplistic project valuation tool that can be utilized is the Payback Period Method, often just called the Payback Period (PP). The PP provides the company a time period by which the original investment in a project will be recovered by future cash flows. The formula for determining the payback period is as follows:

$$PP = \frac{\text{Initial Capital Cost}}{\text{Annual Cash Flow}}$$

The payback period formula can provide managers the time it will take to recover the initial capital; however, the simplistic nature of this formula is a drawback.

Criteria Based Decision Model (CBDM)

Although there are more than just three corporate valuation methods available to managers to use, NPV, IRR, and PP are the most common project valuation methods. Up until now, there has been little, if any, published work on the use of a quantitative model that can be applied in personal financial decision-making. Referred to as the Criteria Based Decision Model (CBDM), this model, which utilizes a matrix, establishes a process that can be repeated for most all non-binary decisions. Binary decisions are decisions that can be answered with only two options. For example, if you were to consider buying a car, the only two options would be "yes" or "no." This puts you in a binary trap. This CBDM is designed using objective and quantifiable criteria applied to each available alternative option. The CBDM matrix follows a multiple step process in order to derive the quantitative outcome.

Step 1: Determine your Decision

Determining your decision is the most important step. The way a decision is phrased will guide how your criteria and alternatives are selected. It is important to insure that the decision is framed in a binary manner with only two options.

Step 2: Determine your criteria

This step determines factors that will influence the decision. These factors include necessary and desirable criteria to be used in your analysis. Additionally, each criteria will be labelled as either a “need” or a “want.”

$$C_{options} = \begin{matrix} \textit{Criteria 1 (Need)} \\ \textit{Criteria 2 (Need)} \\ \textit{Criteria 3 (Want)} \\ \textit{Criteria 4 (Want)} \\ \textit{Criteria 5 (Want)} \end{matrix}$$

Step 3: Prioritize the “Want” Options

In this next step, you will prioritize each “want” option and give a value between 1 and 10 such that the most desirous “want” options get higher values. Values of criteria may be duplicated. The above equation is reduced to only the “want” criteria and then valued.
where,

$$C_{values} = \begin{matrix} \textit{Criteria 3 (Value = a)} \\ \textit{Criteria 4 (Value = b)} \\ \textit{Criteria 5 (Value = c)} \end{matrix}$$

a = the value of criteria 3
b = the value of criteria 4
c = the value of criteria 5

Step 4: Determine Alternatives

Once you have selected and valued the criteria, the next step is to determine all the available alternatives. In this step, all possibilities should be considered, thus seeking guidance and wisdom from others can be extremely valuable. The alternatives are as follows:

A = Option 1 Option 2 Option 3 Option 4 Option 5

Step 5: Compare each Alternative to the set of Criteria values

Now we take each alternative from Step 4, and compare it to the criteria values in Step 2 in a two-part process. The first part is comparing each alternative to your “need” criteria. If the alternative does not meet your need then it will not be evaluated by the criteria values in Step 3. If the alternative meets all the “needs”, then you will determine how well that criteria fits with each alternative.

$$Option 1 = \begin{cases} \textit{Criteria 3 (Value = X)} \\ \textit{Criteria 4 (Value = Y)} \\ \textit{Criteria 5 (Value = Z)} \end{cases}$$

where,

X = fit value of Criteria 3 fits with Option 1

Y = fit value of Criteria 4 fits with Option 1

Z = fit value of Criteria 5 fits with Option 1

The equation above is then used for each option found in step 4.

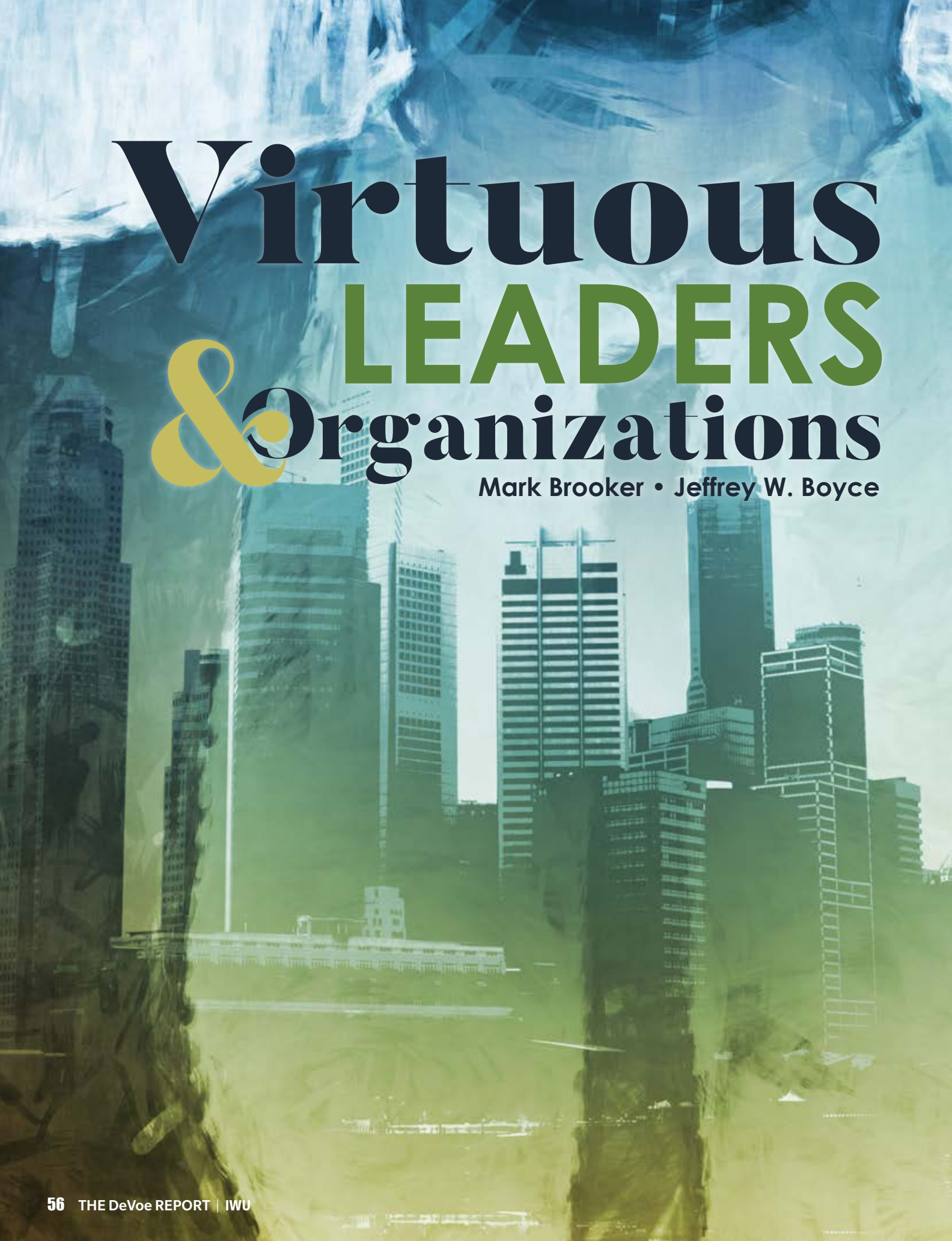
Step 6: Determine Outcomes

This final step quantifies which choice should be selected. Each criteria value (Step 3) is multiplied by the fit value (Step 5). Once each criteria value is multiplied by the fit value then the sum of the values for each option is calculated and the highest value is the top consideration.

$$Outcome Values (DOV) = \sum_{Option 1}^n (aX + bY + cZ)$$

Summary

Financial managers within corporations utilize project valuation methods to assess various projects and quantify which project should be considered based on objective measures. Several of these methods include Net Present Value, Internal Rate of Return and Payback Period method. For individuals however, little has been published on a process that helps to determine decision outcomes. This paper helps to establish a framework that individuals can use when faced with a decision. ▼



Virtuous LEADERS & Organizations

Mark Brooker • Jeffrey W. Boyce



W

orld business leaders have emerged as the first global citizens. Engaged in commerce, business leaders understand the interdependence of nations, and that the health of society and the preservation of our earth are

important to the future prosperity of the business enterprise. Business fosters economic and cultural interdependence and has helped to create the awareness of one humanity, on one planet, all sharing a common fate. And, as the dominant institution on the planet, business holds the key to the transformation of our global society, away from intractable problems, and toward a world that works for everyone.

Around the globe we are witnessing a fundamental questioning, both individual and institutional, of our most basic assumptions about who we are, the world we live in, and what is ultimately important. Increasingly, the leading thinkers of our day are describing this phenomenon as being driven by an emerging new paradigm—a new understanding of reality—which is shaking our traditional assumptions and intuitions to the roots. The World Business Academy (<http://worldbusiness.org/>) arose out of the conviction that the shape of the future is our choice, and that business, if it adopts a new tradition of responsibility for the whole, can be the major contributor to a future that is economically, socially, and ecologically viable for all.

Yet the question remains as to how and to whom businesses will be held accountable. Secularists respond that the answer is clearly government. Yet the Christian knows that governments, despite their God appointed role, are made of people, and absent the influence of God, are just as vulnerable to sin, corruption, and oppression as any business (1 Chronicles 14:7).

The answer to the question then lies in recognizing that businesses and business leaders are ultimately answerable to God, not man and that He calls us to lead our organizations in an ethical and virtuous manner that glorifies and honors both God and man.

WHY VIRTUOUS BUSINESS?

Recently, there has been a lot of debate about the actual objective of “the organization.” In the Western World, the prevalent view over the last decades has been that its objective was maximizing shareholder value above any other consideration. In other words, the HOW, (whether or not a company is virtuous in accomplishing objectives), did not matter. As such, employees, managers and society were simply considered as means to reach this “superior” objective. Virtues were off the corporate radar, and business ethics were, at most, something to comply with.

But more recently, research is now recognizing that the HOW does matter. Pawar (2016) showed a relationship between workplace spirituality and employee performance. Caldwell and Hayes (2016) argued that values-based leaders were more effective, and Yaacoub (2016) demonstrated a relationship between values and long-term sustainability. Business ethics is now a required subject in business programs (ACBSP, 2016) and business is under increasing scrutiny from both the marketplace and governments. Character, it seems, does count.

Numerous leadership models have been developed to help promote leadership and organizational effectiveness. First on the scene in leadership history was the Great Man Theory which viewed great leaders to be men of greatness. Trait theory came into being when birthright was questioned as being the only source for great leaders. The next leadership theory to happen on the historical scene was behavioral theory. Contingency theory holds that the leader needs to alter his or her approach, calling upon a particular leadership style to fit the situation. Transactional theory provides that people are motivated by punishment and reward and that central authority, power, and decision making resides with the leader. Lastly, transformational theory seeks to bring balance to the power relationship between the leader and those who follow. Community and cooperation are hallmarks of this leadership theory (Northouse, 2016).

A major disadvantage of these models is that they do not have a Christian perspective inherent in its framework. Many of these models identify excellent means for developing ethical leaders based on the concepts of character, competence, and actions, but without first having a central focus on God, such models and theories—no matter how good—fall short of God’s ideal aim for us. For without God as our central focus, “all our righteous acts are like permanently stained rags” (Isaiah 64:6 GW).

In addition, static models driven by rules tend to be less effective in fast changing times. Models that are based on principles, particularly the timeless principals of scripture, provide tools that can then be applied to the changing environments business experience today.



The DeVoe School of Business saw a need to merge the best secular leadership theories and models with the wisdom of Scripture and has developed the Virtuous Business Model to aid in kingdom-based leadership and organizational effectiveness development. The model describes both the virtuous leader and the virtuous organization; its value’s based approach works even in the tumultuous times facing business today.

WHAT IS VIRTUE?

Virtue, by definition, is the moral excellence of a person. A morally excellent person has a character made-up of virtues valued as good. He or she is honest, respectful, courageous, forgiving, and kind, for example. Because of these virtues or positive character traits, he or she is committed to doing the right thing no matter what the personal cost, and does not bend to impulses, urges or desires, but acts according to values and principles. Some might say that good qualities are innate and developed through good parenting, which they are, but we are not perfect. Virtues need to be cultivated to become more prevalent and habitual in daily life. With the habit of being more virtuous, we take the helm of our own life, redirecting its course towards greater fulfillment, peace, and joy. For the Christian leader, Christ is at the center of all that is done, and one’s will seeks to align with God’s—to prayerfully live out the words, “Thy will be done.” Living virtuously is more than “living the good life”; it is seeking to achieve an “on-earth-as-it-is-in-heaven” way of living here and now (Comte-Sponville, 1996/trans. 2001).

THE DEVOE MODEL OF VIRTUOUS BUSINESS

The DeVoe Model of Virtuous Business is based upon the “Be-Know-Do” (BKD) model of leadership development, which has been used by the US Army for more than 50 years. The holistic notion of BKD is grasped and intuitively recognizable by Christians because of its similar construct with Scripture references to body, mind, and soul. “Love the Lord your God with all your heart, with all your soul, and with all your strength” (Deuteronomy 6:5 GNT).

The model recognizes that we not only have three aspects of virtue (being, knowing, and doing), but also three domains in which we interact with the world around us. The virtuous leader interacts in the spiritual, personal, and professional domains; the virtuous organization interacts by building spiritual, social, and economic capital.

The center of all things, and particularly any model of virtue, is Jesus Christ. Jesus is the example of virtuous leadership and an understanding of virtue comes from studying the characteristics of Jesus in Scripture. Scripture also explains that just as God is three in one, mankind has been created with mind, body, and soul. The corresponding domains with the virtuous leader model are personal, professional, and spiritual.



SPIRITUAL DOMAIN – CHARACTER, CRITICAL THINKER, COURAGEOUS

The spiritual domain fulfills the same role in the virtuous leader that our soul does to the tri-part man. It provides our connection to both God and man and from the perspective of eternity, represents true currency that can be stored up in heaven. The three characteristics of the virtuous leader in the spiritual domain are character (be), critical thinker (know), and courageous (do). Character is developed by becoming Christ-like; critical thinking is learned by study and practice; and courage by stepping out in faith into the unknown.

PERSONAL DOMAIN – RESPECTFUL, RELATIONAL, RECONCILING

The personal domain corresponds with our mind and to what we know. It also speaks to our mental attributes. The three characteristics of the virtuous leader in the personal domain are respectful (be), relational (know), and reconciling (do). Respect begins with the fear and knowledge of God, but includes respecting all people as created in the image of God. Relational is the product of valuing people above all other things; and reconciling is the ministry to which God has called all believers; that is, reconciling God to man, man to each other, and man to God’s creation.

PROFESSIONAL DOMAIN – INTEGRITY, INSPIRATIONAL, INCLUSIVE

The professional domain corresponds with our body and to how we act towards others. The three characteristics of the virtuous leader in the professional domain are integrity (be), inspirational (know), and inclusive (do). Leaders above all must have integrity, be able to inspire, and seek to include all of God’s creative masterwork, the human race, in the work of business.

Organizations are groups of individuals collaborating to accomplish tasks that could not be accomplished individually. While virtuous leadership is essential for the virtuous organization, a lack of understanding of the role of business in God’s Word can lead to organizations that are not kingdom building. The virtuous organization is one that builds spiritual, social, and economic capital. Spiritual capital is built through being centered, creative, and compassionate. Social capital is about being sincere, supportive, and service orientated. Economic capital is built by being principled, proficient, and profound.

SPIRITUAL CAPITAL – CENTERED, CREATIVE, COMPASSIONATE

Spiritual capital is about having the right priorities; it is not about profit, it is about people. While profit is necessary to survive, the purpose is about people and includes a clear

sense of corporate values, providing comfort and strength in meeting the challenges of life. Virtuous organizations are as dedicated to building spiritual capital as they are to social and economic capital. The three characteristics of the virtuous organization related to building spiritual capital are being centered on Christ (be), creative in problem solving (know), and compassionate to those in need (do).

SOCIAL CAPITAL – SINCERE, SYNERGETIC, AND SERVICE

Social capital is about authenticity, synergy, and meeting needs. The virtuous organization is transparent, unites individual peoples and skills in ways that promote creativity and innovation, and serves the people of its marketplace. The three characteristics of the virtuous organization related to building social capital are being sincere (be), synergistic (know), and service oriented (do).

ECONOMIC CAPITAL – PRINCIPLED, PROFICIENT, PROFOUND

Economic capital is built through operating with principles centered on Christ, be proficient in what they do to be a faithful steward of their resources, and do only what is profound; that is what is right, good, and proper in the eyes of God. Not everything that can be done, should be done; virtuous organizations know the difference and act accordingly.

CONCLUSION

The repeated moral failures of businesses in the 2000's, and government in the 2010's demonstrates the folly of removing God from the marketplace. In contrast, leaders and organizations that honor God through virtuous behavior build the kingdom and increase value for the company and stakeholder. The next step in the development of the model is to incorporate it into the curriculum of DSB and using it to teach virtues-based business. ▼

NOTES

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GARY WILKINSON & TOM VOGEL

VIRTUE & CHANGE:

A CASE STUDY OF THE ANDERSONS, INC.



T

he research at the DeVoe School of Business at Indiana Wesleyan University has focused on understanding how businesses achieve and sustain virtuous

business leadership and management. As part of that research agenda, the objective of this study is to describe how The Andersons, Inc., which has consistently striven for virtue in their business, has responded to both internal and external changes and draw some implications to overall management practices. The Indiana Wesleyan University (IWU) case study team was composed of two faculty members who interviewed key current and former executives

of the firm to explore how a virtuous corporate culture has been implemented and maintained and the challenges to maintaining this corporate culture due to market demands and competition. The interviews yielded some practical insights into the challenges of establishing a virtuous corporate culture and maintaining this culture in the midst of global economic change.

BACKGROUND

The Andersons is a premier firm in the agricultural business. In today's competitive marketplace, The Andersons, Incorporated is widely recognized as a respected Ohio publicly-traded company encompassing five distinctive business groups with over \$4 billion in sales revenues. This large organization with a trademarked wheat symbol started over 70 years ago as a family-owned small agri-business. With the purposeful establishment in 1947, Harold and Margaret Anderson, along with their six children, created the Anderson Truck Terminal (ATT) for faster grain hauling in Maumee, Ohio (History, n.d.). The grain elevator offered nine bays which afforded quick truck turnover and better service to the local farming community. During the next seven decades, the Anderson family's founding beliefs and principle operating philosophy and mission of "serving God by serving others" ("And beyond," n.d., para. 3) has been the basis for the business culture as their small company grew to become a premier agricultural firm.

The Andersons' organizational values and corporate culture originated from a family belief in divine guidance, hard work, and the free enterprise system. Service to others is the foundation of the corporate culture and is the corporate focus on customers and the other key stakeholders. The firm is organized into five groups, but they stress the unity of purpose.

Their web site states: "Five Groups. One Company. The Andersons grows enduring relationships through extraordinary service, a deep knowledge of the market, and a knack for finding new ways to add value as we have done for nearly 70 years" (Groups, n.d., para. 1). Based on information from their corporate website, The Andersons, Inc.'s Five Groups products and services are the following:

- The Grain Group provides merchandising and services to the grain industry, including the storage of commodities, Advantage Crop Insurance, Freedom Pricing Tools, Farm2Market, Grain Market Commentary and Feed.
- The Ethanol Group provides facility operations, risk management, ethanol and distiller dried grains marketing.

- The Plant Nutrient Group's wholesale facilities formulate, store and distribute nutrient, specialty and industrial inputs.
- The Rail Group provides a variety of services to the rail industry including fleet management, leasing, repair and customer fabrication.
- The Retail Group is committed to honest values, vast selection, brand name quality and friendly service including General Stores, The Market, and Mower Centers. (Groups, n.d.)

CURRENT ISSUES

The Andersons' involvement in the world of agriculture is challenging. The firm's pricing and profits are intrinsically linked to agricultural commodity prices, largely the grains such as corn, soybeans, and wheat. Hence, their financial performance is strongly correlated to the underlying components of the demand and supply characteristics of grain commodities. A smaller grain crop during 2015 reduced earnings for The Andersons due to lower volume owing to climatic challenges (affecting seed, fertilizer, and the grain storage business) in the eastern Corn Belt, and inconsistent performance from several of their business units. However, taking a longer term view, The Andersons has had excellent returns over their history.

DEFINITION OF A VIRTUOUS BUSINESS

In a Paper published last year, Hein and Wilkinson (2015) defined a virtuous business as the following:

"Virtuous firms are characterized by having high integrity, a striving for excellence in their provision of products and services to consumers, in addition to excellence in business leadership and management practices, a culture of open communication, cooperation and collaboration, and a system of measurement and accountability throughout the organization" (p. 3).

EXECUTIVE INSIGHTS

As mentioned above, a series of interviews with four key executives of The Andersons were conducted. These interviews covered leadership of those who are managing the company today and those who have built and led the company over the course of its evolution and growth. The four interviewees included Richard Anderson, a former CEO and Chairman Emeritus; Mike Anderson, previous CEO and current Chairman of the Board; Patrick Bowe, current CEO of the Company and former executive of Cargill; and finally, Patrick Mullin, a financial expert, board member, and Chairman of The Andersons' Audit Committee.

The case study team interviewed the elder statesman and board member, Richard Anderson, at his home at Anderson Farm in Maumee, Ohio. Richard Anderson provided the historical perspective on the founding of the Company. Richard, son of the company's founder, Harold Anderson, related some insightful comments regarding his father's initial failures in the business. The Andersons was not an overnight success. Quite the contrary; Harold Anderson's initial business ventures were unsuccessful, leading him not only to question his business judgment but also precipitating severe personal challenges. Fortunately, his perseverance paid off. A new venture began as a small grain storage and trading firm, and this was the origin of the present company. That success enabled Harold to restore his personal confidence, and the firm began a long period of growth. As the firm grew and expanded beyond the members of the family, the management challenges of establishing a formal organizational structure and formulating the strategic direction and values of the firm needed to be addressed. During this transition, leaders within the company exhibited some disparate views on the direction of the company. After much internal debate, the Anderson family leaders coalesced on a strategic direction based on their family's faith values. The leadership asked the basic question: "Why are we here?" Their collective answer was that "We are here to serve God by serving others." That moment became the tipping point for identifying not only the culture of the company but the direction of the company as well. It was indeed a moment that identified what the firm was intending to be and how it would be defined in the marketplace - an organization that is driven by faith-based principles.

Richard Anderson indicated that this faith-based culture and virtuous direction for the firm were critical to setting the strategic direction, but there were still critical issues that the growing enterprise had to face. He indicated that the growth of the firm meant that it could no longer be managed like a family business. It had become a large agricultural business needing to implement a management structure better able to deal with the complex organization that it had become. These insights indicate that, at least in the case of The Andersons, a virtuous culture has many facets for the success. In the long run, firms require not only virtue in leadership and strategic direction but also a professional management and performance accountability to achieve long-term sustainability and growth.

Former CEO and current Chairman of the Board, Mike Anderson, provided some unique insights to the case study team resulting from when he managed the firm through growth and becoming a public corporation. It was

clear from the start of the interview that Mike Anderson was thoroughly committed to servant leadership style. The following statements show this leadership emphasis:

- Blessings that come from work
- Work is not a "chore"
- It's not always "about you"
- Be grateful for the ability to work
- Do it right
- Business is for the "greater good"
- Benefits of capitalism when done with virtue
- Your word is more important than your thoughts
- We are here to "serve"
- Serve God by serving others (Mike Anderson, personal communication, October 15, 2016)

What was interesting to the case study team was the fact that it was the firm's values and commitment to service that were the focus of his comments. One would normally think the previous CEO and Chairman of the Board would first talk about things like earnings, capital, growth, or productivity. Those issues were discussed but not until later in the interview. There was also a recognition that not everyone would embrace all of these values. However, an important strength of the culture was and continues to be an openness of the leadership to discuss how the culture needs to respond to market conditions.

One key transition which was described in the interview with Mike Anderson was the questioning of the strategic direction of the firm in the late 1990s. While participating in a corporate retreat at the University of Michigan (Mike prefers to term it an "advance" and not a retreat!), the leadership of the firm had to come to grips with whether the culture of the firm helped or hindered the overall operational and financial performance of the firm. Mike Anderson recognized he was walking a fine line. The organizational performance had to improve, as the cyclical nature of the business and competition required greater efficiency. However, he did not want to destroy the culture of virtue that he and his predecessors had inculcated into the organization. He knew that in some key measures of efficiency and competitiveness, the firm needed to rapidly and significantly improve performance. His leadership staff concluded that the corporate culture was a vital part of the firm, but there had not been sufficient focus on accountability and constant improvement. This focus continued into his final days of his CEO tenure, as he expanded the "pay for performance" model that began under Richard's leadership to be more in line with other corporate entities the size of his firm. In fact, in his interview, he commented



on the need for a “more purposeful culture” with an affirmation of the traditional Andersons’ culture of virtue, but a far greater focus on defined performance metrics with accountability for all employees, groups and the firm as a whole.

The Andersons has grown extensively over the last two decades, both through organic means and through acquisitions. During Mike Anderson’s tenure as CEO, the company had total revenue growth of 320 percent, with much of this growth coming from acquisitions. As known in the world of leadership, acquisitions can present some daunting cultural challenges to both the acquired and the acquiring firms. Mike Anderson and his team created a methodology or “cadence” that they have used to welcome the acquired firm and its employees to The Andersons team. Immediately after an acquisition deal is consummated, the acquired firm and its employees are introduced to the Company’s culture of virtue. Corporate buy-outs and takeovers are rarely smooth

events for the acquired companies. The Andersons’ corporate culture facilitates the process, and in most cases, the acquired entities adopt the new culture over time.

The Andersons leadership changed for the first time from being a family member when Pat Bowe became CEO, President, and Director of The Andersons. Mr. Bowe was appointed to his roles on November 2, 2015, and is the first CEO of the firm who was not an Anderson family member. Nonetheless, it is quite clear that he has been strongly embraced by the Anderson family. Mr. Bowe’s message to the IWU case study team was very clear – in line with Mike Anderson’s “more purposeful culture” concept: he will focus on performance and accountability while maintaining the corporate culture which goes back to the founding of the firm (personal communication, October 15,

2016). An interesting aspect of the change in leadership was the manner in which Mike Anderson managed the transition to Pat Bowe. The transition was quick and complete, and the Anderson family fully and publicly supported the new CEO. Mike Anderson was very purposeful in ensuring full support for Pat Bowe and embracing an advisory role when appropriate.

Pat Bowe was clear that his priority is on performance in the organization, both financial and individual performance while maintaining the virtues developed by his predecessors. One example he cited was safety measures and objectives. Although safety has not been a glaring issue with the firm, Pat identified certain practices that must be improved to limit safety threats. The very nature of the firm is that the employees deal with large devices and mammoth storage facilities that by nature present potential hazards to them. Focus on safety is also part of the corporate culture of value for the individual.



Mr. Bowe is also focused on growing The Andersons' revenues and earnings. As a seasoned leader in the world of agricultural, he clearly fit the experience profile the firm needed at this time. He has experience in managing very large organizations in the agricultural space and possesses a highly successful track record for growing agricultural businesses. Perhaps most critically, he knows that he must accomplish his financial and organizational goals while preserving The Andersons' culture. He clearly recognizes the challenges of managing a large and complex business in a cyclical industry

The IWU case study team conducted a final interview with Patrick Mullin, a board member of the firm, and the Chairman of the firm's Audit Committee. Mr. Mullin is a financial expert and has served on several corporate boards as well as senior leadership positions with large auditing firms. As a board member, he provided an interesting perspective on the culture of the company. The IWU team uses the term "virtuous culture" to describe the manner in which the company operates. Pat Mullin, on the other hand, described it as a "farm culture," one exemplified by hard work, honesty, and respect for one another (personal communication, October 15, 2016).

Patrick Mullin, a respected audit expert, pointed out some financial benefits regarding the firm's culture. One item he articulated in his interview was the fact that a culture like The Andersons is "self-auditing" (personal communication, October 15, 2016). In other words, people operating within a virtuous culture are far less likely to become involved in fraudulent or otherwise inappropriate financial wrongdoings. The virtuous business, to a large degree, inoculates itself against financial impropriety because of its very nature. Furthermore, he stated in his interview that there are genuine cost savings associated with a company like The Andersons, as the audit and related costs are much lower. So, Mr. Mullin highlighted something to the case study team that was not expected – virtue results in business cost savings. This was a very important benefit pointed out by the board audit chair.

CONCLUSION

This case study demonstrates an important principle of managing a virtuous business—it is necessary to develop and nurture a corporate culture that values the individual, strives for absolute integrity in dealing with all of their stakeholders and strives to be good stewards and servants. These attributes tend to be classified as "soft skills" of management and are a necessary condition for running a business for long-run success. To deviate from these virtuous principles may provide the temptation for short-term benefits, but jeopardizes the long-run

prospects for the firm (the recent example of Volkswagen is an excellent example of the temptation of short-run benefits). However, these soft skills are not a sufficient condition for leading and managing a virtuous business. The virtuous business also must include establishing measurement and accountability of productivity and financial objectives for all employees. The executive interviews demonstrated how essential all components of virtuous leadership are for success.

The Andersons case study has helped the IWU case study team identify the following key points that are integral to the operation of a virtuous business:

1. The concept of the virtuous business is applicable and effective in a broad range of businesses and other organizations.
2. Incorporating virtue into a firm's culture does not constitute just the soft skills such as integrity, stewardship, and value of the individual. Virtuous businesses must also focus on measurement and accountability for business performance.
3. "Leadership humility," as demonstrated by Mike Anderson in his transfer of leadership to Patrick Bowe, is a key component of virtuous leadership.
4. The concept of the virtuous business reaches far beyond the walls of the firm itself. Virtue and stewardship extend to the firm's role in addressing broad societal issues for which it is affecting. Specifically, in the case of The Andersons, the IWU case study team discussed the stewardship challenges associated with the agricultural industry. This could be addressed by developing innovative technologies that inhibit nutrient runoff at the farm, or, "recapturing" the nutrients at their point of final deposition. The case study team not only views this as a means of addressing a crucial stewardship issue but also could create a business opportunity. ▼

NOTES

(1) The faculty research team consisted of Mr. Tom Vogel and Dr. Gary Wilkinson

(2) Special thanks to the executives of the Andersons and especially to Debbie Crow for her assistance throughout this project.

(3) Each case study can be read in its entirety on our website, www.indwes.edu/devoeschool.

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GARY WILKINSON, KEVIN CABE,
MARCUS MYERS & GEORGE HOWELL

CASE STUDY OF THE BECKETT CORPORATION

Beckett.

CORPORATION

the challenge of _____ *Cultural Continuity in Foreign Expansion*

Research at the DeVoe School of Business at Indiana Wesleyan University has focused on understanding how to achieve and sustain virtuous business leadership and management. This research began with a paper by Hein and Wilkinson (2015) which described the foundations, motivations, and challenges of building virtue into the core values of business. As part of this research agenda, this paper was developed to present a case study of how The Beckett Corporation was guided by biblical principles in its decision to build a manufacturing facility in China. One of the most challenging aspects of preserving a biblically based corporate culture is how to maintain the essence of that culture when expanding internationally. The Beckett Corporation has expanded into China as well as pursuing other international opportunities. Clearly, this presents

a degree of tension, since the society and culture in a country such as China is considerably different than in the US or their operations in Canada.

The Beckett Corporation was the subject of a case study by Redmer (2007) which covered the history and organization of the firm. In that study, Redmer mentions the decision to build a facility in China, but it was too recent for a description of the decision process and implementation. This case study describes that process and the challenges the firm has encountered and some of the lessons which were learned from that process.

The Indiana Wesleyan University/DeVoe School of Business case study team was composed of four faculty members who interviewed executives of the firm and their consultant on its decision to expand into China. During these interviews, the challenges and opportunities

of the China expansion were explored. Interviews were conducted with Mr. John Beckett, the Chairman and former CEO; Mr. Kevin Beckett, the current CEO; Mr. Ben Hopwood, General Manager of the Beckett China operations; and Mr. Dwight Nordstrom, President of Pacific Resources, Incorporated (who aided in the implementation and is an investor in the Beckett operation in China).

FORMULATION AND CHALLENGES OF MAINTAINING THE BECKETT CORPORATE CULTURE

The corporate culture of the Beckett Corporation was imparted to the firm by its founder, R.W. Beckett. The firm was established in 1937, and grounded in the ethical practices embraced by Reg Beckett. The culture more fully crystallized under the leadership of the founder's son, John Beckett. John assumed responsibility for the firm on the death of his father in 1965. He built the business from very modest beginnings of only about twelve employees to its current status as a major industrial firm supplying burners for residential and commercial applications. His objective was to model an active faith in leading the company with the goal of bringing two worlds together: faith and work. With this mindset, he relied on faith and Scripture to guide workplace decision making (see, for example, Matthew 18 on conflict management). The foundations of the Beckett leadership and corporate culture are described in *Loving Monday*, a book authored by John Beckett in the mid-'90s. When the current CEO, Kevin Beckett, was asked about goals of the firm, he stated, "our leadership style and corporate culture goals are described in my father's book" (personal communication, October 15, 2016). The mission statement of the firm summarizes its long term objectives: "By God's Grace we will Grow, Relentlessly Improve, and Passionately Serve Our Customers and Fellow Employees" (R.W. Beckett Corp., n.d.). The firm's Statement of Enduring Values describes the characteristics they want to build into their corporate culture: "Integrity, Excellence and Profound Respect for the Individual" (R.W. Beckett Corp., n.d.). Nevertheless, maintaining that corporate culture is far more than an occasional communication of the mission and values. It requires focus and intentional actions. Kevin spends significant time with all employees discussing the Beckett corporate values including regular meetings on the topic.

The history of the firm demonstrates that there are constant challenges in maintaining and applying the corporate culture values to business problems. In 1994, as the firm began a major expansion of the business by

establishing related companies, John Beckett recognized that they had to be more intentional about transmitting core values, as the number of employees increased and their relationships with companies using their products became more complex. In one example of a shift to bring practice together with culture, John said they moved from having independent manufacturer's representatives to having in-house Beckett employees represent the firm. Feedback from customers showed that there were serious deficiencies with the outside representatives who were not representing well the company's values. In spite of higher costs in the short-run, in the long-run the new personnel better represented the core values of the firm.

With a clear definition of the company's core values, Beckett was better able to align its growing workforce, policies and practices with biblically-based values/principles. Employees are asked how each of them could help make the core values live. Some of the solutions have been standard visual aids and some have been unconventional, such as a highly original Beckett board game designed to teach the company's values. Since the inception of these core values in 1994, the leadership revisits them on an annual basis to ask: what do they mean and how do they apply? Both John and Kevin Beckett related that the most important organizational learning comes from plant floor employees who find a decision which impinges on one of the core values and discusses this with his/her supervisor. This, then, becomes a driver of change. It is through this open communication and power of example from employees that core values are reinforced throughout the company. Some of the lessons learned throughout the process of developing, communicating and refining the core values of the firm were that people generally want to do the right thing and will communicate to leadership when there are questions and conflicts as long as there is constant, honest, and open dialogue. The company realized that ethical centering of an organization needs room to breathe through dialogue of how faith-based values should continuously inform business decisions.

SUCCESS FACTORS FOR INTERNATIONAL EXPANSION

Often when firms look at international expansion opportunities, external factors are given the most attention. New market potential, favorable economic and geopolitical trends, and strong demand often lead the conversation to go global. However, Quackenbos, Ettenson, Roth, and Auh (2016) made the case that internal factors play a significant role in the success or failure of these expansion opportunities. While external

factors are part of the equation, Quackenbos et al. (2016) found seven internal attitudes that play a major role in the success of an internal expansion. While recognizing the external cultural issues, firms often overlook the internal, corporate culture issues. Quackenbos et al. (2006) found seven internal attitudes deemed “critical” to success when going global.

The seven internal characteristics include the prioritization of the expansion, aptitude, the ability to draw connections between opportunities and abilities, the ability to adapt, tolerance for uncertainty, and the commitment to the expansion (Quackenbos et al., 2016). Also included in the list was the attitude of “rectitude” which was the title for the legal and ethical practices of the organization.

The idea of rectitude refers to the corporate values already in place within the organization. The transfer of these corporate principles to the new venture is critical for success. When Quackenbos et al. (2016) split surveys from over three hundred corporate leaders into winners and losers (based on whether their firms met profit and market objectives), 63% of winners agreed that their firm was successful in this transition of culture while only 43% of the losers agreed. Among the seven attitudes, 77% of the winners stated that their company excelled in these areas while only 31% of the losing firms agreed (Quackenbos et al., 2016).

The respondents who claimed their firm excelled in rectitude supported the notion that their organization “encouraged open discussion of known issues” (Quackenbos et al., 2016). This discussion recognized that cultural norms may be different and require adaptation. At the same time, these successful firms elucidated their goals and identified “deal breakers” (Quackenbos et al., 2016). For these successful leaders, the ability to advance into a new market and culture with the capacity to adapt should be balanced with the fortitude to persist in upholding an already established set of core values when expanding the business internationally.

THE APPLICATION OF THE CORE VALUES TO THE CHINA EXPANSION

The key theme that emerged from interviews with the Beckett organization regarding the decision to expand their business into China was the idea that they must be “China Ready.” Interviews with Dwight Nordstrom and Kevin Beckett expanded on this point. Several themes emerged:

1. For any international expansion, there must be a deep understanding of the culture of the country where the expansion will take place;
2. The firm must be committed to a long-run view and expect tensions and challenges; and,
3. The firm should be committed to the expansion for reasons beyond simply forecasts of financial results.

The expansion into China was the firm’s largest, but not its first experience with international expansion. The leadership team knew that the compatibility of its corporate culture with that of its host country was a primary consideration. Also, international expansion for Beckett required decisions based upon not only expected financial results, but also upon the firm’s mission of integrating faith and work. Another aspect of being “China ready” was the recognition that the process must include both organizational learning of the culture of the host country, but also a teaching process of the Beckett corporate culture grounded on the values of integrity, excellence and profound respect for the individual. This is consistent with the concept of rectitude, which is one of the important principles for international expansion success. In the case of building and staffing the China manufacturing facility, there were a number of tensions. Operating with integrity, foundational to the Beckett culture was, at times, at odds with many Chinese



business practices. It was critical that decisions were guided by Beckett's corporate values even at the cost of delays and increased costs. This, in turn, became a visible example of the Beckett corporate culture.

With its core values based on biblical principles, it was important for the firm to adapt these core values in a manner compatible with Chinese governmental rules and society. For example, faith cannot be openly shared in that country. So, it is by example and the use of the language of "blessing" that Beckett carries out its mission. This language of blessing, framed in the perspective of a Beckett employee, asks: what does a blessing look like for our customers, employees, investors, community and competitors? With this way of thinking, the organization is able to communicate key biblical principles and transfer this blessing mentality (and its corporate culture) to its employees, and in turn with their key stakeholder groups. In addition to regularly scheduled core values training and the use of the language of blessing, Beckett leaders also use the sharing of stories of employee actions linked to its core values.

CONCLUSION

With its faith-based mindset, Beckett looks at its business as a way to fulfill missional goals. Domestically it looks for opportunities to integrate business and faith. In international locations where Beckett's leadership may not be able to share their faith openly, it places high emphasis on all employees handling business situations in moral/

ethical ways, which may be starkly different than how they might be handled in the local culture. The firm continues to be guided by biblical principles even when near-term financial returns are diminished and seeks to apply these principles in new locations and in new circumstances. John Beckett summarized it very well when he said the foundation of Christian business leadership must focus on the "sweet spot" at the intersection of faith and work.▼

NOTES

(1) The faculty research team consisted of Drs. Kevin Cabe, George Howell, Marcus Myers, and Gary Wilkinson.

(2) Special thanks to Mr. John Beckett for his valuable suggestions and guidance throughout this research project.

(3) Each case study can be read in its entirety on our website, www.indwes.edu/devoeschool.

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Alumni

SPOTLIGHT



Donna Meiser





rs. Cynthia Booth is the first DeVoe School of Business Distinguished Alumni Award recipient. Cynthia has filled many roles in life thus far including wife, mother, student,

leader, successful business owner, and entrepreneur.

After a very successful banking career where she served as Vice President of six divisions within US Bank and as President of the Bank's Foundation, Cynthia found herself in a conversation with God, "Lord, you have given me great success, but where else am I to go in this organization?" She goes on to share, "I realized that, while the bank could continue to provide me with more leadership opportunities, it could never give me the opportunity to own my own business." It was then the entrepreneurial dream was planted that would eventually become COBCO Enterprises.

Cynthia credits her success to the solid foundation given to her by her parents. That foundation is firmly established on faith, following Christ, hard work, and education. Her professional and educational journey have given her clear witness to God's faithfulness to His children. We are delighted to share this insightful conversation between Mrs. Cynthia Booth and Dr. Kneeland Brown, Dean of DeVoe School of Business.



DEAN BROWN – Please share about your personal background?

BOOTH – I was born and raised in Cincinnati. I am the oldest of three children. I have one brother and one sister. My mother is from Georgia, and my father is from Tennessee. My parents met and married in Cincinnati and began their family here.

I grew up in a humble family. My parents both worked, my father often working two jobs. There was always a spirit of thankfulness in our home and the value of making sure God was first in our lives. They stressed to me, "To those whom much is given, much is expected," and that has been a guiding principle for my life. The greatest gift my parents ever gave me was my introduction to Christ as a young child. I can vividly remember going to Sunday School, Sunday morning worship, and Baptist Training

Union (BTU). We would spend the full day at church as a family every Sunday; this was our ritual.

My husband, Paul Sr., and I have been married for 37 years. Paul is a former Cincinnati City Councilman and has also served in positions within state and federal government. We have two sons, Paul Jr. and Martin. Paul Jr. received his Bachelor's degree from DePauw University and a Master of Divinity from Emory University. Paul Jr. is the Senior Pastor of Legacy Pointe Church in Cincinnati, Ohio and is a part of our family business. Martin is a graduate of Wake Forest University Business School and is also part of our family business, working in the finance department. He is also preparing to attend graduate school to obtain his MBA. My husband and I have raised our sons to put God first. We wanted our sons to understand that the foundation of our home is built on Christ. We are thankful our sons have followed us in living a life based on faith.

DEAN BROWN – How did the work ethic of your parents impact your personal work ethic?

BOOTH – My mother and father would often remind me, "The early bird gets the worm." There was a spirit in our home of focusing on the importance of hard work but also a balance of family, fun, and fellowship.

We were a middle-class family with two working parents, but we never wanted for anything. I watched mom and dad work hard every day. We were not wealthy in money, but we were wealthy in other ways, and we thanked God for our blessings.

My parents stressed three principles for a good and fruitful life, which include: God (put God first), family (love your family), and community (give back).

DEAN BROWN – How did you become connected to the DeVoe School of Business of IWU?

BOOTH – I graduated from high school a year early and went on to Denison University, where I graduated with a Bachelor's Degree in Political Science and Economics. I was accepted to Capital University Law School after graduating from Denison. I made the decision to defer my admission to law school for a year, and I worked for US Bank. I became fascinated with the world of Finance that I was exposed to at the bank and decided to change my

career track. I remained at the bank and enjoyed a great career until 2000 when I became President & CEO of my company, COBCO Enterprises.

I have always been a life-long learner, which is what led me to Indiana Wesleyan University. In 2008, I applied for admission and was accepted into the graduate program at Indiana Wesleyan University's DeVoe School of Business. At the time, I was CEO of my company and looking for an institution that would allow me to continue to sharpen my business skills in a Christ-centered environment. After research, I knew Indiana Wesleyan University was for me.

DEAN BROWN – Share a bit about your experience studying in the DeVoe School of Business.

BOOTH – I chose the DeVoe School of Business of Indiana Wesleyan University for three reasons: (1) the faith component; (2) the academic rigor; and (3) it was an institution to which I felt I could give back.

I loved the prayer at the beginning of each class, which was my opportunity to release whatever was in my heart and mind from the work day or my personal life. It was this sacred moment of class that I looked forward to in addition to the strong academics.

My current service on the advisory board of the DeVoe School of Business is my opportunity to give back to the University, and I am honored to serve.

DEAN BROWN – Tell us a bit about your professional journey which has been 16 years from US Bank to COBCO.

BOOTH – I had an incredible career at US Bank, and I did not leave because I was unhappy. I left because something I did not understand at that time was tugging on the inside of me, telling me I had greater work to do. It was a difficult decision because I enjoyed my job. I was able to rise to a level of leadership within the company that a woman of color had never before achieved.

However, sometimes you have to listen to that inner voice. Through God's prompting, the desire for ownership was birthed, which made me begin thinking of the possibility of leaving what had been a dream job at the bank.

I prayed about it and then shared the vision of ownership with my family. I began to quietly carry out due diligence on many companies to see what ownership would look like. I would never have thought that selling hamburgers, fries, and drinks are what ownership would look like for me. However, as I looked at McDonald's,

I thought that I had the skills, business acumen, and resources to own a franchise. Suddenly, COBCO Enterprises was born.

Deciding to leave the comfort of a corporate position to venture into uncharted waters of owning a business was at times somewhat intimidating and frightful. However, I always reflected on the words found in 2 Timothy 1:7 that God does not want us to have a spirit of fear; He wants us to have a spirit of faith. Jeremiah 29:11 tells us that He "plans to prosper you and not to harm you, plans to give you hope and a future." These two passages in the Bible were the foundation for me to found COBCO Enterprises, a company that owns and operates six McDonald's franchises.

DEAN BROWN – How has your Christian faith informed your approach to leadership?

BOOTH – It allows me, as CEO of my company (COBCO Enterprises), to live out my faith more overtly than I ever could at the bank. When I have management meetings, I ask if there is anything with any employees or members of the senior leadership team which I need to know. We stop and hold these needs up in prayer before proceeding with business. What I try to do is walk the walk that I talk.

If you were to ask my employees if Cynthia Booth is a woman of faith, I believe they will tell you yes. I also leave space for my employees to grow spiritually. Exercising good ethical behavior is a core value of our company and is expected by all members of our organization.

If you ask my employees where I am on Sunday, they will let you know that I am at church getting refueled. I let them know that I am willing to respond to issues anytime day or night, but there is a time on Sunday mornings in which I need to be away filling up on God's promises. Our business is 24/7, so I need the opportunity to go to church and refuel for the coming week.

Another way that my Christian faith informs my leadership approach is in how I view our business. Our business is owned by the Booth family, but it is not just about the Booth family. We value every family that is connected to the organization. As CEO, I not only appreciate sales and transactions; I also deeply appreciate the hundreds of employees who serve our customers each day.

DEAN BROWN – What are good leadership disciplines to take on?

BOOTH – Good communication skills are important. People respond to what is expected of them. Therefore,

to ensure that employees are aligned around the vision and mission of the company, they must be given clear and concise communication from leadership.

Having a strategic vision for the company is vital. A company without a strategy is like a ship without a sail; it will go all over the ocean and end up nowhere. I engage our leadership and some of our employees concerning what our strategy should be.

Finally, it is important to try to have fun. We strive to make our company an enjoyable place to work.

DEAN BROWN – What are bad leadership habits to stay away from?

BOOTH – Do not be so intense in your leadership that you do not give people autonomy. It is the heavy-handed oversight at times that can cause one to get too far down into the details. If I give an assignment, I need to implement certain follow-up mechanisms to ensure tasks are getting done, but I do not need to get in the middle of it in such a way that they cannot do what they are asked to do. I have learned to pull back a lot.

DEAN BROWN – What do you see on the horizon for Cynthia Booth? What excites you about the future?

BOOTH – We want to continue growing our company. We are at 6 locations now, but we think 10 locations is a good sweet-spot. We would also like to diversify as a company and do more things which are community-based. We would like to potentially establish a foundation in the future, which will facilitate community-based work.

DEAN BROWN – You were named the DeVoe School of Business 2016 Distinguished Alumni. What does this honor mean to you?

BOOTH – I was so surprised. I cannot express the honor I felt when I received the call that I would receive this recognition. It was a great affirmation that I was following God's plan for me. The journey and leap of faith that I took were His plans for me (Jeremiah 29:11). It was my sense that my decision to come to the DeVoe School of Business was the right decision. God connects us to institutions and people to which He wants us to be connected.

I appreciate the University for affirming the journey through which God has taken me. For that, I will forever be thankful to the DeVoe School of Business and Indiana Wesleyan University. ▼





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