Spring 2014 SUNY FREDONIA Department of Business Administration NEWSLETTER

Notes from the Chair

• I am happy to announce that one of our part-time faculty, Dr. Lisa Walters, has accepted our offer of becoming a full-time Assistant Professor of Management, replacing Dr. Aghazadeh who retired last year. Dr. Walters has been teaching for us since the early 2000s. In her new position, she will be mainly responsi-



ble for the quantitative side of our management curriculum, covering courses in operations management.

• It is with mixed feelings that I announce the resignation of Ms. Bobbi Tabak, our department secretary. After seven and a half years, Ms. Tabak decided that it was time for her to move on to new challenges in another department, Sociology.

• Please welcome our new department secretary, Ms. Tracy Stokes, who joined us on March 24th. Ms. Stokes is a highly experienced secretary with many years of employment at both private and public sectors. In the short period of time she has been working for us, she has learned the intricacies of her new job quite well as many of you could see by her speedy responses regarding course overrides, major/minor declarations, and advisor assignments.

• One more university – SUNY Oswego – has joined our 4+1 BS/MBA program. Through these "accelerated" Master's degree programs, interested students can finish their MBAs in one year upon completion of their B.S. degrees from Fredonia. Other participating universities are Niagara, RIT, St. Bonaventure, Clarkson, Syracuse, Canisius, and Alfred.

-Dr. Moj Seyedian

"Q" and You

It is a dark and stormy night to go with the dark and stormy semester that you've been having, particularly in that one class with that certain professor. Midterm grades are posted, and your appointment with your advisor is tomorrow. And now you are getting ready for the upcoming "grilling" (that has nothing to do with tailgating) with your advisor.



Dr. Lisa Walters

You decide that the best course of action is to go with your "A" game, which is blaming your poor performance on the professor and promising your advisor that you'll take "some steps to do better." But what does "some steps to do better" mean? Is it just a onesize-fits-all phrase that you use to get your advisor off your back? Or is it your way of telling your advisor that you will critically think about your behaviors and develop an action plan to improve? Chances are that you mean the former, not the latter, and that means that, in the long term, in this economy, your chances for finding employment are slim to none. So what's a student to do? How does a student achieve the latter? How does a student critically think about his or her behaviors and develop an action plan to truly improve? Turn to the Q.

Introducing the $\operatorname{Big} \mathbf{Q}$

Say the word "Quality," and myriad definitions come to mind. What one person considers Quality is "ho-hum" to another. It's kind of the "I'll know it when I see it" perspective (Walters, 2004). And those differences in perspective indicate that it is important to understand what people require from a product or service (Wal-

ters, 2012). Without the customer, there can be only a one-dimensional view of a product or service, and that view is only from the provider. Early definitions of Quality, which viewed it as "conformance to specifications," reflected that focus. Later, the definition evolved to embrace the requirements of the customer, and Quality came to be defined as "fitness for use" or customer intent (Juran, 2010). This evolution makes sense. Think of the early cell phones. Certainly they were manufactured to meet certain design specifications, but, in retrospect, would you consider them "fit for use?" In contrast to what we carry today and what we expect our phones to do, the answer is a resounding, "No!" Customer requirements have changed, and, when organizations listen to those requirements (let's call those requirements the Voice of the Customer), they produce goods and services that delight the customer and that go beyond conformance to specifications to fitness for use.

Who's Who In Quality? Introducing the Big Three

The foundations of Quality as we know it today were built primarily by The Big Three (no, not the auto makers): Shewhart, Deming, and Juran (Best & Neauhauser, 2006). While there are other fabled Quality gurus who we Quality Geeks revere today, these three were instrumental in weaving the philosophy and its tools inextricably with organizational processes. You might say that they are the Dream Team of Quality.

Walter Shewhart was a physicist who worked for the Western Electric Company at its Hawthorne Plant (Yes, that is, indeed, the same plant famed for the Hawthorne studies; however, Shewhart's work there is independent of those studies. For more information on the Hawthorne Studies, visit an Organizational Behavior course near you). While at Hawthorne, Shewhart introduced the idea that variation exists in all measurement (Juran, 2010). How that variation acts can be different and can be categorized as common and special (also known as assignable) variation.

Common variation means that the measurements vary but do so predictably, within a set of statistical rules defined by Shewhart. Here's a simple example: Take a break from reading this article, find a scale, and get on and off that scale five times. Did you weigh the same each time? No, you did not. Now take an average of those weights and write that average down where no one will see it (that's what I'd do). Repeat this "weighing in" every day for a month, two months, whatever. You will see the average number changes a bit each day, within a certain range, but does not vary extremely. That is predictable variation. Now let's say that you don't like that average number or the range it rode in on. You would need to take a significant and permanent action (Crossley, 2000) to drive that average number in the direction that you wanted and to sustain it in that particular range. I would want to drive it downwards (I am of a certain age, and that age is not 29), so let's use that as an example. If I wanted to move the average downward, I would have to change more than just exercise. I would need to change my diet as well. And those changes would need to be permanent and sustainable to maintain the shift of the average to where I wanted it. Then I could keep charting that average over time, and the movement of the measurements after the downward shift would become the new predictable range.

But perhaps around late October through late December, that average weight begins to creep upward. Can you guess why? That is, can you assign this uptick to some sort of special change that does not necessarily occur during other times of the year? Perhaps it's too many sweets and not enough exercise; these would be changes from your normal routine that gave you the predictable outcomes identified by common variation. Thus, the action that you would take now would be to decrease your sweet intake and increase your exercise beyond your normal routine until you returned to your predictable and desired weight. Then you could go back to your sustainable routine to maintain that average.

To manage variation, Shewhart provided us with the Shewhart cycle: Plan-Do-Study-Act (PDSA). "Plan" means to identify the problem and the causes of the problem. An important idea here is in the establishment of causation. There may be several causes of a problem, but the idea is to identify the root cause, which is the most basic reason that a problem exists. If we can correct the root cause, then we can pretty much say that we fixed the problem completely. However, sometimes it just isn't possible to address the root cause. In that case, then we need to address the deepest cause that we can that is within our "sphere of influence," which is a fancy term for within our control. "Do" means to devise an implementation plan to address that cause. "Study" means to evaluate the results that you got from deploying your implementation plan. "Act" means to take action as necessary, given the results of the "Study" phase. When we take action, and that action is successful, it is highly probable that we did, indeed, identify the root cause.

W. Edwards Deming also spent time working at the Hawthorne Plant of the Western Electric Company. It was from that experience that he became a follower of Shewhart. Deming viewed production in a much broader sense than merely the manufacturing line (Deming, 1982). He saw it as an interrelated system that involves customers, engineering design, suppliers, materials, production, and distribution; he thus viewed production as a cyclical activity that both started and ended with the customer. He advocated for all these processes to be aligned in terms of the customer and to pursue improvements in these processes for the benefit of the customer, the economy, and the workers, an idea to be pursued continuously (Deming 1982). He believed in defect prevention, the notion of which was distinctly different from that historically used for process management, which was a model of defect detection. Defect detection means inspection (sometimes called "after-the-fact" quality), whereby some poor guy (or gal) at the end of the production line is charged with looking at each item, determining whether it conforms to manufacturing requirements, then releasing, scrapping, or sending it for reworking. And if someone is in charge of sorting out the defects, that means the darn process is producing defects! Clearly, a better way to manage Quality is to evaluate the process with data (Thank you to Dr. Shewhart who gave us the charts to do just that) and to implement the PDSA cycle to reduce or eliminate defects that result from the process.

Deming gave us 14 points of Quality and called for a fundamental change in the way that we view our organizational systems (Deming, 1982). He encouraged us to believe that defects, errors, and problems are not inevitable. Further, Deming believed that people were victims of processes that just weren't able to address requirements. These are termed "incapable processes." Here is an example: If I asked you to take a 60-item survey and to interview 100 people with it, and to make sure that you document [the response to each survey question, you can bet your last dollar (I never bet my own) that omissions will occur. That doesn't mean that you are a slacker or that you don't know how to pay attention. More likely, it is because you are a human being doing a manual process. No matter how much we emphasize what you need to do, you will make an error in documentation. That is because the manual process is doing the best it can, and you are, unfortunately, a victim of it. The only way to shift the omission rate toward zero is to take a larger, permanent, and sustainable action, such as automating the survey (Does this sound like common variation to you? It should).

Deming ultimately rose to prominence in Japan after World War II, where he helped Japan implement this Total Quality (long-term economic success through customer satisfaction) philosophy of management, thereby allowing them to move toward increasing economic superiority, particularly within the automotive and electronics industries. To this day, the Japanese Scientists and Engineers Society (JUSE) awards the Deming Prize to companies who fully implement Total Quality.

You are not going to believe this, but Dr. Joseph Juran also worked at the Western Electric Company Hawthorne Plant. (Apparently, the Hawthorne Plant had a lot going for it.) While Deming saw production as a system of interrelated processes, Juran's contribution concerned managing for Quality. Specifically, he provided insight into the management actions necessary to foster continual improvement as related to these interrelated processes. Juran provides us with advice on how to conduct Quality Planning, Quality Control, and Quality Improvement. This is termed Juran's "Quality Trilogy." Quality Planning means establishing capable processes that produce products and services that are fit for use. Quality Control means establishing systems to detect when corrective action is necessary (think Shewhart's control charts). Corrective action are those actions taken to remedy a problem; to be effective, these actions must target the root cause as much as possible. It is analogous to the "P" in the Shewhart PDSA cycle. Quality Improvement means establishing a systematic way to continually make processes better. No Quality Junkie's library is complete without Juran's Quality Control Handbook. At about 1,800 pages, it is the definitive source for Quality Management. Even if you aren't going to read it, get it, if only to impress your friends (Juran, 2010).

Like Deming, Juran also worked with the Japanese to implement his Quality Trilogy. So impressed were the Japanese by his work that they wanted to name an award after him, as they did with Deming. This medal would be given to organizations that achieve consistent Quality for at least five consecutive years, kind an Extreme Deming award. Juran refused to have the medal named after him. As a result, that medal today is called the Japan Quality Control Medal (not sure how catchy that name is). Here in the US, however, the American Society for Quality (ASQ) does give worthy organizations what they call the Juran Medal.

And In the End, So What?

You have just met three of the Giants of Quality. What does that have to do with you? Hearken back to the opening scenario; now think about common themes of the Quality thinker contributions. At least one thread should be obvious to you, and that thread is the need to identify the true cause of your problems so that you can critically evaluate the actions you need to take for true improvement. That means putting all your cards on the table with courage and honesty. One simple tool for this is the "Why-Why Analysis," which comes to us from Toyota (yes, a Japanese company; coincidence? I think not.). This tool is an iterative questionasking technique that helps you get to the root of the problem (Walters, 2004). Let's try it with our student who is getting ready to get grilled, I mean, advised.

Problem: Failing grade in BUAD (fill in the blank).

- 1. Why? Low scores on exams and quizzes.
- 2. Why? Didn't study the correct material.
- 3. Why? Didn't know that exam material would come from in class and not just from the book.
- 4. Why? Don't attend class.
- 5. Why? Don't like the professor.

At this point, the deepest cause that you can manage is found at Item 4. Your corrective action should be targeted to getting yourself to class. Quite honestly, you can go deeper, delving into your emotions about the professor, his or her style of teaching, and so forth. But those causes are beyond your sphere of influence; so don't waste your time. Instead, you must deal with what you can control.

By using this simple technique, you already are becom-

ing a practitioner of Quality. Good for you! This type of analysis can go a long way to helping you achieve your goals. And wouldn't it be better to present this kind of thought process to your advisor, rather than your original "A" game? Ditch the "A" game; pitch the "Q" instead!

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-Dr. Lisa Walters

Meeting Dr. Linda Hall



Tell me a little about yourself.

I am originally from West Seneca, New York, and received my B.S. in Accounting from SUNY Fredonia in 1984. I received my MBA and PhD from SUNY Buffalo, and attended the University of Florida for a postdoctoral program. I spent eight years in public and corporate account-

Dr. Linda Hall

ing before beginning my career in higher education. I have been teaching at the college level since 1990, and came to SUNY Fredonia in 2001.

What courses do you teach?

I teach Principles of Financial Accounting (ACCT 201), Taxation I (ACCT 304), Taxation II (ACCT 305), and Advanced Accounting (ACCT 401).

If you could teach a new class, what would it be? If I could develop a new class, I would teach a Senior Seminar focusing on CPA exam review, since most students sign up for review courses after they graduate.

What suggestions do you have for students to be successful in school?

Make the most of your college education and approach being a student as a full time job. Reading is essential to learning; it teaches you to focus your thoughts. Engage yourself in your major courses; don't just try to get through them. Involve yourself outside of your coursework to gain experience and build your resume. Finally, build relationships on campus with your fellow students, professors and advisors.

What advice do you have for graduating seniors?

Your first job out of college might not be the job of your dreams, but you have to start somewhere in your field. Use your internship and other college and work experience as a guide to what you would like to do after graduation. Plan a career path and pursue it.

What are your plans after you retire from teaching?

I would like to become a snowbird so I can play golf year round. I know that won't keep me busy enough, so I will most likely lecture online or as an adjunct. I will also continue to do voulunteer work.

What leadership roles do you have on campus?

I help to organize the Meet the Accountants Night Career Fair for accounting majors. I am an advisor to the Business Club and an internship advisor to the Snack Shack. I also run the Volunteer Income Tax Assistance program and I lead the Assurance of Learning Committee for the department's AACSB accreditation bid.

Do you have any future plans?

I am planning on going to Belize with the Enactus Fred Global team in January 2015. I want to bring some accounting students and bring a financial presence to both the team and the project. I am also working on creating a similar experience in Jamaica, - aiming for January of 2016. I want my students to gain international accounting experience – to see first-hand the similarities and differences in international accounting.

-Nicole Sparks

Business Etiquette Dinner

Every spring semester since 1991, the Accounting Society has held its Business Etiquette Dinner, a brain child of the Society's advisor, Professor John Olsavsky.



The purpose of the Dinner is to teach students the appropriate behavior expected of professionals while doing business in a social setting and to give them a low-stress environment in which to practice what they have learned. Topics covered as a part of this educational experience include appropriate behavior and conversation at the cocktail hour, during dinner, and at other social engagements. Often a professional is invited to the dinner as a guest speaker. In recent years, the invited guests have presented such topics as cultural differences, fashion, wine selection, and lunch interviews.

This year's dinner was held on March 9th at the Horizon Room, Williams Center. Members of the campus' Leadership Corp attended and gave etiquette tips throughout dinner along with academic advisor, Professor John Olsavsky.

The dinner that was served consisted of a salad for the appetizer, dinner rolls, a choice of vegetarian lasagna, chicken, or beef filets for the main entrée, twice-baked potato, grilled vegetables, and vanilla cake with strawberries for desert.



The guests enjoyed the dinner, using their best etiquette. Conversation was lively, which included topics about the weather, where we lived, and how to pass the butter. It was a great activity that was enjoyed by all and I hope to attend again next year.

-Elizabeth Locke

SUNY Fredonia Technology Incubator



today's In world, it isn't easy to take an idea and start a business. In fact, it's near impossible to do so without the necessary tools and resources. The SUNY Fredo-Technolnia ogy Incubator,

Technology Incubator Executive Director, Robert Fritzinger

located at 214 Central Avenue, Dunkirk, NY, makes this possible. The Incubator has a leadership role in this critical area, as it has the potential to assist in bringing innovative ideas and providing jobs for this region.

The SUNY Fredonia Technology Incubator also provides entrepreneurs the proper resources and services to a start-up company. The resources and services include a business consulting, mentoring and training, as well as business and peer networking.

We offer access to a variety of business professionals who are uniquely qualified to help with critical issues faced by startup companies. Through our connection to SUNY Fredonia, we also provide access to faculty members in key areas such as business, computer science, communication, and graphic design who are available to provide guidance in areas most often needed by emerging companies.

Research shows that business involved in an Incubator can attain long-term success if they adhere to the principles and guidelines of the Incubator and take advantage of the resources that are made available to them. The SUNY Fredonia Technology Incubator is certainly moving forward with awareness and continues to give entrepreneurs long term success rate.

There are currently seven companies within the building, which include AVtick, Center for Sports Skills Measurement and Improvement, Dunkirk BioEnergy, iKoss Consulting, LuxSynergy, Silicon Wolves Computing Society and V3 Studios. In addition to the seven companies, there are five provocative new companies going through the admissions process, most will be announced this summer. As we transition into the Fall Semester, everyone should keep in mind the opportunity to intern at the Incubator. This last semester, several interns worked directly with our entrepreneurs, while others worked on the Incubator Staff. To learn more about how the incubator works, tune into Dialogues TV at https://www.youtube.com/ watch?v=jujq88Tb_Qc.



If you are interested in growing your business or are looking for an Internship, please contact Robert Fritz-inger at 716-680-6009.

-Robert Fritzinger

The Department of Business Administration Newsletter is a student-run online publication of the Department Chair's Student Advisory Council, established in Spring 2007. For story ideas and comments, contact the Editors:

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