

Spring 2003

BALL STATE

business

A MAGAZINE FOR
COLLEGE OF BUSINESS
ALUMNI & FRIENDS

Also inside:

- Dean Emeritus J. B. Black
- The Epicenter of Entrepreneurship

**papa
knows
best**

College of
Business Alums
Cook up Success
with Papa John's

John and Chuck Schnatter





a season of transformations

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Greetings from a “thawing” Muncie, Indiana! This winter has seen the second largest snow accumulations on record. In spite of the cold and the snow, however, the College of Business continues to pulse with excitement, energy, and a commitment to our students by providing the best educational experience possible.

In the last several months, we have seen building renovations for the Hall of Fame conference room, hallways, stairwells, and the Student Services area. (All undergraduate and graduate operations are now on the first floor in

one area.) Future plans include a remodeled and expanded student lounge, as well as classroom upgrades.

While needed facility changes create functional and aesthetic surroundings for our current students and faculty, ultimately the measure of how we are doing rests with the achievements of our alumni. College of

Business grads John and Chuck Schnatter have taken their business education, drive, and pizza know-how and created the world’s third-largest pizza chain, Papa John’s. Talk about successful alumni!

In 2003, we are celebrating the 20th year of our outstanding entrepreneurship program, under the dynamic leadership of Donald F. Kuratko. After reading about entrepreneurship, would you be willing to risk graduation by participating in the “spine-sweat experience”?

Dean Emeritus J. B. Black, Jr. continues to be a presence in the College of Business. Read about his legacy as dean, his passion for teaching in the prison system, and his commitment to Beta Gamma Sigma. J. B. and his wife, Mary Jane, are incredible supporters of the College of Business.

In spite of tough budgetary times, my hope is that you realize that your generous gifts of time, knowledge, and money are making a difference. The college continues to prosper—and we have even bigger dreams! On behalf of all of us in the College of Business, thank you. We’d love to hear from you. Please e-mail me with comments or suggestions at lrichardson@bsu.edu. ■

Lynne Richardson
 Dean and Professor of Marketing



BALL STATE business

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features

papa knows best 5

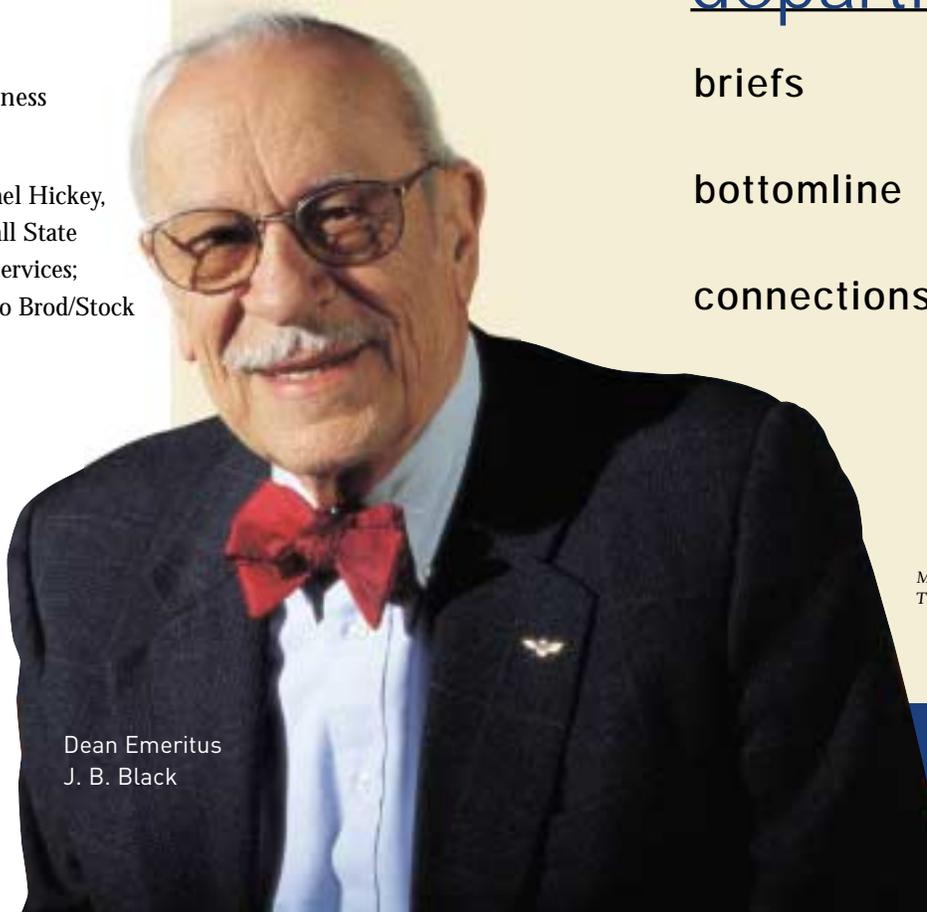
The rise of Papa John's, with two Ball State alums at the helm

a spine-sweating experience 9

Unleashing the entrepreneurial spirit

black magic 14

Dean Emeritus J. B. Black's amazing performance at Ball State



Dean Emeritus
J. B. Black

departments

briefs 3

bottomline 17

connections 18



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Spring 2003

new programs

Listening to the desires of M.B.A. students has led to a revamped **Master of Business Administration** program that better fits their needs. Starting this fall, the updated M.B.A. program will give students a rigorous, academic business foundation, as well as the flexibility to choose electives relevant to individual career interests and lifestyles.

"Thanks to delivery by interactive television to remote sites, students may choose from convenient access to classes across the state," says **Inga Hill**, assistant to the dean for graduate programs. "This is ideal for busy business professionals."

The M.B.A. program is designed to be completed in two years for part-time students or one year for full-time students, with some early morning elective classes available. Concentrations are not required, but are available in entrepreneurship, finance, production/operations management, and information systems.

Also, **Business Essentials for Professionals** is a new graduate-level certificate designed for Indianapolis-area residents who have undergraduate degrees in nonbusiness areas. Individuals who complete the program receive 12 hours of graduate credit and a professional certificate from Ball State.

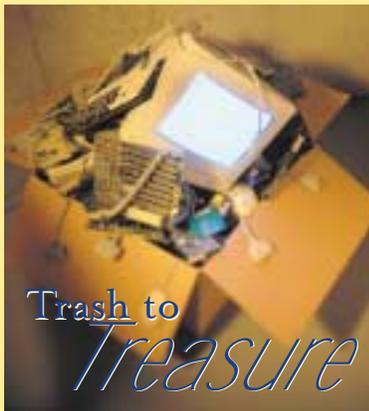
"People with degrees in liberal arts, education, or engineering often take jobs in businesses without basic knowledge of financial, marketing, or management principles," says Hill. "While they may learn important business knowledge on the job, they often want a broader understanding of business through a more formal education," she says.

Both the M.B.A. and certificate may also be earned by taking classes on the Ball State campus or participating in classes televised live.

For more information, call (765) 285-8192.

supercomputer update

Since being featured in the last issue of *Ball State Business*, **Fred Kitchens** and his cluster computing students have secured their first client, Siligi Solutions, a software developer for the U.S. Department of Defense. The Cluster Computing Research Project is conducting prerelease software



testing for the company.

"The experience gives students a better understanding of some of the concepts we discuss in class such as the importance of user acceptance and system testing procedures," says Kitchens, director of the project.

Kitchens and the Cluster Computing Research Project have been recognized for their work with awards including the Innovation Education Award from the Federation of Business Disciplines and the Outstanding Student Chapter Performance Award from the Association of Information Technology Professionals for the year-old Ball State student chapter.

number one draft pick



Former Ball State pitcher **Bryan Bullington** debuted with the Pittsburgh Pirates during spring training.

Bullington was pursuing his business degree at Ball State when he was selected as the top pick in the 2002 first-year player pro baseball draft.

He made history by becoming the first-ever Mid-American Conference student-athlete to be drafted number one in baseball, football, or basketball.

Anthony Schneider



putting the "I" back in ethics

According to the "WorkUSA 2002" survey of American workers, employee confidence in executive integrity is slipping. Trust in business leadership is being shaken by recent high-profile corporate investigations and scandals. The College of Business is addressing this serious issue for students.

Beginning last fall, the College of Business sponsored the speaker series, "Putting the 'I' Back in Ethics," which assembled a group of business professionals to help students detangle, dissect, and debate what ethics means to them as individual decision-makers.

Gerry Dick, host of the television show "Inside Indiana Business with Gerry Dick," kicked off the series. Other speakers in the series included **John D. Harris**, retired CEO of



Gerry Dick

Olive LLP; **Anthony L. Schneider**, managing director of Schneider Huse and Associates, LLC; **Kevin C. Walbridge**, regional vice president of Republic Services of Indiana; **Marilyn M. LaGrange**, vice president-marketing services of Saint-Gobain Containers; and **Donald C. Rizer, Jr.**, manager of employee relations of U.S. Steel.

program advisory boards

The College of Business has established advisory boards for its many current business programs, and the college's goal is to have a board for each program. Board members are alumni and nonalumni who are business leaders. Their mission is to guide curricula, provide advocacy, and assist in fund raising.

"We feel fortunate to have this collective wealth of expertise and leadership to help shape the College of Business and keep us relevant from a real-world perspective," says Dean Lynne Richardson.

Departmental Advisory Boards:

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Katherine Arbuckle, St. Vincent Hospital
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Robert Coughlin, Paycor
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Ed Espey, J M McCormick Company Inc.
Joseph Faulkner, Century 21 Realty Group
Lon Fox, Mail Boxes Etc.
John Gaylor, Gaylor Electric
Fred Gill, Gill Enterprises LLC
Max Goecker, Mail Boxes Etc.
Michael Grady, Indiana Merchant Banking and Brokerage Co. Inc.
Chris Gullion, Clancy Enterprises
Donald Hanlin, Precision Rings Inc.
Michael Houk, Anthem Blue Cross & Blue Shield
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Michael Lunsford, Coldwell Banker Commercial Lunsford
Larry Metzger, Indiana Business Resources
David Millard, League Chandler & Millard
Dane Miller, Biomet Inc.
Matthew Murphy, Mays Chemical Company
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Lynne Richardson, College of Business
Jim Rosema, Rosema Corporation
Larry Sablosky, Finish Line
Chuck Schnatter, Papa John's International Inc.
Anthony Schneider, Schneider Huse & Associates LLC
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Grant Sindelar, Bill Estes Chevrolet
David Spade, Old National Bank
Jeffrey Stoops, Stoops Freightliner-Quality Trailer Inc.
Alan Symons, Superior Metal Technologies
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Richard Crist, Rutter Communication
Scott Gallagher, Automatic Data Processing, Inc.
Dave Gorsage, Lushin
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Jim Wingate, Mid-West Metals Products Co.



papa knows bes

The Rise of Papa John's, with two Ball State Alums at the Helm

By Steve Kaelble

It's unusual to earn a degree at Ball State University without spending some time at Greek's Pizzeria, and John Schnatter was certainly no exception.

What was different for this southern Indiana kid studying in Muncie was that the popular pizza joint in the Village was not just a weekend hangout, and it was more than just a part-time college job. For Schnatter, Greek's was an extension of the classroom, an invaluable supplement to the lessons he was learning in the College of Business.

That's because Schnatter would soon become Papa. What he fathered was a pizza place of his own. Blending his business school knowledge with the experience he gained during college working at Greek's and during high school at Rocky's Sub Pub near his home in Jeffersonville, Schnatter

launched what would become the nation's third-largest pizza chain, Papa John's International, Inc.

The birth of Papa John's is almost legend in the pizza business, but it might not have happened had Schnatter followed his original career path. He enrolled at Ball State not to study business but to learn about criminal justice. "I had a roommate who was taking business classes, and I started reading some of his material," he recalls. "I thought that this was more 'me' than criminal justice."

Schnatter became a business major, graduating in 1983 after just three years. Because his job search was less than successful at first, he went to work for his father, Robert, owner of Mick's Lounge in Jeffersonville.

The elder Schnatter had a law degree, was Jeffersonville's first City Court judge, and was active in politics.

While running a successful law practice, he also plunged into gutsy but not-always-successful entrepreneurial endeavors that ranged from cable TV to solar heat. "My dad was a risk-taker," John Schnatter recalls. "It didn't bother him to lose."

As it happened, business wasn't especially hot at Mick's. John Schnatter bought into the tavern and helped turn around the ailing business. Then he turned his attention to pizza, taking over a large broom closet at Mick's and installing used restaurant equipment that he bought with the proceeds from the sale of his prized 1972 Camaro Z28. He peddled pizzas out the back door of Mick's, building them meticulously following a recipe he had been honing since his high-school days at Rocky's Sub Pub.

From his broom-closet headquarters, he was living a dream. Though



Chuck Schnatter (left)

- Bachelor's degree in business administration from Ball State in 1985
- Senior vice president and chief development officer

John Schnatter (right)

- Bachelor's degree in business administration from Ball State in 1983
- Founder, chairman, and CEO

his first major was criminal justice, in truth he had thought about pizza since those days at Rocky's and Greek's, when he became convinced he knew how to deliver just what the customer wanted.

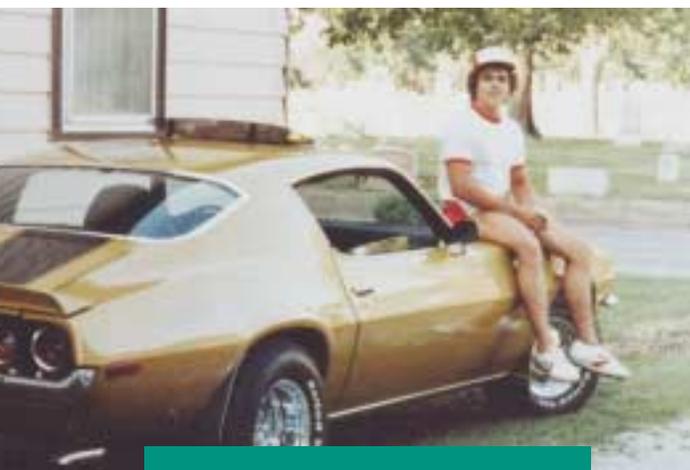
A year or so after graduating from Ball State, John Schnatter took out a \$30,000 loan to build the first Papa John's next door to Mick's. Opening day was near when his father died of an aneurysm, and it's now part of the Papa John's legend that John Schnatter was back at work the day after he buried

his father, preparing to launch the next phase of his pizza vision.

As he built his business, John Schnatter occasionally had kitchen help from his brother, Chuck, who also pursued a business degree from Ball State and also had spent time behind the counter at Rocky's Sub Pub. A year younger than John, Chuck graduated from Ball State in 1985 and went to law school at the University of Louisville. He practiced law with a local firm for a few years after graduation, and one

of his major clients was Papa John's. He joined his brother's company full time in the spring of 1991 and now serves as senior vice president and chief development officer.

By the time Chuck signed on, Papa John's had dozens of stores and was starting to make a name for itself in the competitive pizza industry. The work was exhausting, but John Schnatter continued to keep a close eye on the growing operation. "The 20th store was a big deal. It was harder with 10 than with two, but at 20 it started to get easier," he says, as Papa John's began to build the infrastructure necessary to run a major chain.



John sold his prized 1972 Camaro to purchase used restaurant equipment.

this window of opportunity while the big guys were asleep if we were going to be nationwide.”

The strategy worked. From seemingly nowhere, Papa John’s exploded into a pizza-making giant, third in the industry behind Domino’s and Pizza Hut. At last count, the chain included 2,937 restaurants, just under 600 company-owned and the rest franchised. The chain operates in 49 states and nine international markets and has annual sales of just under \$2 billion.

Papa John’s has earned the respect that the bank and the big guys were unwilling to grant it just a decade ago. The chain has earned numerous local and national awards for pizza quality, and John Schnatter picked up a national Ernst & Young Entrepreneur of the Year award in 1998.

Papa John’s advertising claims that better ingredients are key. “He actually did buy the best ingredients he could find, and he did make a very good pizza.”

Papa John’s, says White, grew in circular patterns from several major markets at a time. “They’d go into a big market, establish a presence, and go out from there,” he says, adding that the chain would enter such markets as Indianapolis and Detroit, for example, at about the same time. “They’d begin rippling out from Indianapolis and Detroit until they met in Fort Wayne. Now the ripples have extended throughout the United States.”

White senses some slight shifts in philosophy brought on by competitive pressures. Referring to the founder, “He used to always say that ‘the main thing is to keep the main thing the main thing.’ He didn’t mess around with thick pizza or dessert pizza.” Now, the chain is dabbling into a few side items, such as “Chickenstrips” and “Cinnapie.” But, White says, “pizza is still number one.”

Meanwhile, the chain’s explosive growth appears to have run its course,



The first Papa John’s restaurant in Jeffersonville, Indiana in 1985.

Though capital was still hard to come by, John Schnatter began to set his sights on the mammoth chains at the top of the industry. He was turned down for a million-dollar bank loan in 1992, so the Schnatter brothers turned to the stock market to raise money for rapid expansion. “The big growth happened when we went public in June of 1993,” John Schnatter says.

As it turned out, the bank wasn’t the only one that failed to take Papa John’s seriously. “We were lucky. Domino’s and Pizza Hut were asleep,” he says. “They weren’t watching their business. We were fanatical about the pizza quality, and we outworked them.”

Papa John’s also worked quickly, because Schnatter knew that at some point the giants would take notice of his upstart chain. “We had to get through

“Newsweek named John Schnatter among 100 people to watch in America in the new millennium.”

“The Papa John’s story is by far the most glorious rise in the history of the pizza business,” says Jeremy White, executive editor of *Pizza Today*, a prominent industry publication. While plenty of factors entered into the chain’s meteoric rise, White agrees with Schnatter that it couldn’t have happened without an almost neurotic focus on quality. There’s truth to the



at least for now, in part because of the sour economy and in part because the Schnatters have recognized the need to digest what they’ve bitten off. “The roaring ’90s are over, for everybody,” John Schnatter says. “We’re in a market

where the key is maintaining market share and making sure you don't lose."

"They may have grown too fast," White observes. It's not uncommon for

Chuck Schnatter chalks it up to an ongoing learning process. "We've made a few mistakes, but we haven't made any big mistakes," he says.

grow tomatoes for his pizza sauce. He also learned a lot of valuable lessons during his time in Muncie, both at Greek's Pizzeria (with whom he now competes) and the Ball State College of Business.

Both brothers, in fact, give a lot of credit to the real-world emphasis of their Ball State business instruction. For Chuck, the value of this became especially clear when he went on to law school. "The law school experience is so far removed from the real world, you really appreciate finding someone who can tell you how the real world works. In the business school, they tell you all about actual business cases."

John recalls a number of professors who had volumes of real-world experience before moving to academia. "That's a big help," he says. One of his favorites was T. J. Ault, who would pepper lectures with personal business-world stories, including advice on the "queue" through which inventory moves into the business, then out. "The faster you move something in and move it out, the better," John Schnatter recalls.

Not bad advice for a company making and delivering hot, fresh pizzas. ■

Steve Kaelble is editor of Indiana Business Magazine.

"One thing I've learned is that with whom you do business with is directly related to how successful you are."

— Chuck Schnatter

high-growth chains of any kind to end up with locations that don't perform as well as expected, or business partners that don't quite turn out to be up for the job.

"There were things we should have seen that we missed," John Schnatter acknowledges. "At 500 or 600 stores we could really keep our arms around the business. At 2,900 it's hard to keep your arms around it. The business was getting away from us, so now we have to reel it back in. To grow for growth's sake is crazy."

Now the plan is to take a hard look at where the operation is healthy and where it needs some help. So far it's working. Though the company's annual revenues are down somewhat, profits have remained steady.

"One thing I've learned is that with whom you do business with is directly related to how successful you are."

His brother agrees that the learning is continual. "I'm amazed at how little you know at 25 or 30 and how little I know at 41," says John. He's trying harder than ever to balance the guts he inherited from his entrepreneurial father with the wisdom and discipline of his grandfather, who was a prominent Louisville attorney and businessman and also a demanding employer when his grandkids were doing yard work.

John Schnatter, in fact, looks for learning experiences whenever he can, from reading in the evening to teaching sports to his kids to visiting a farm in California, where he's picked up valuable pointers from the people who

papa john's stats:



49 states



600 company-owned stores



2,937 restaurants



3rd in the industry



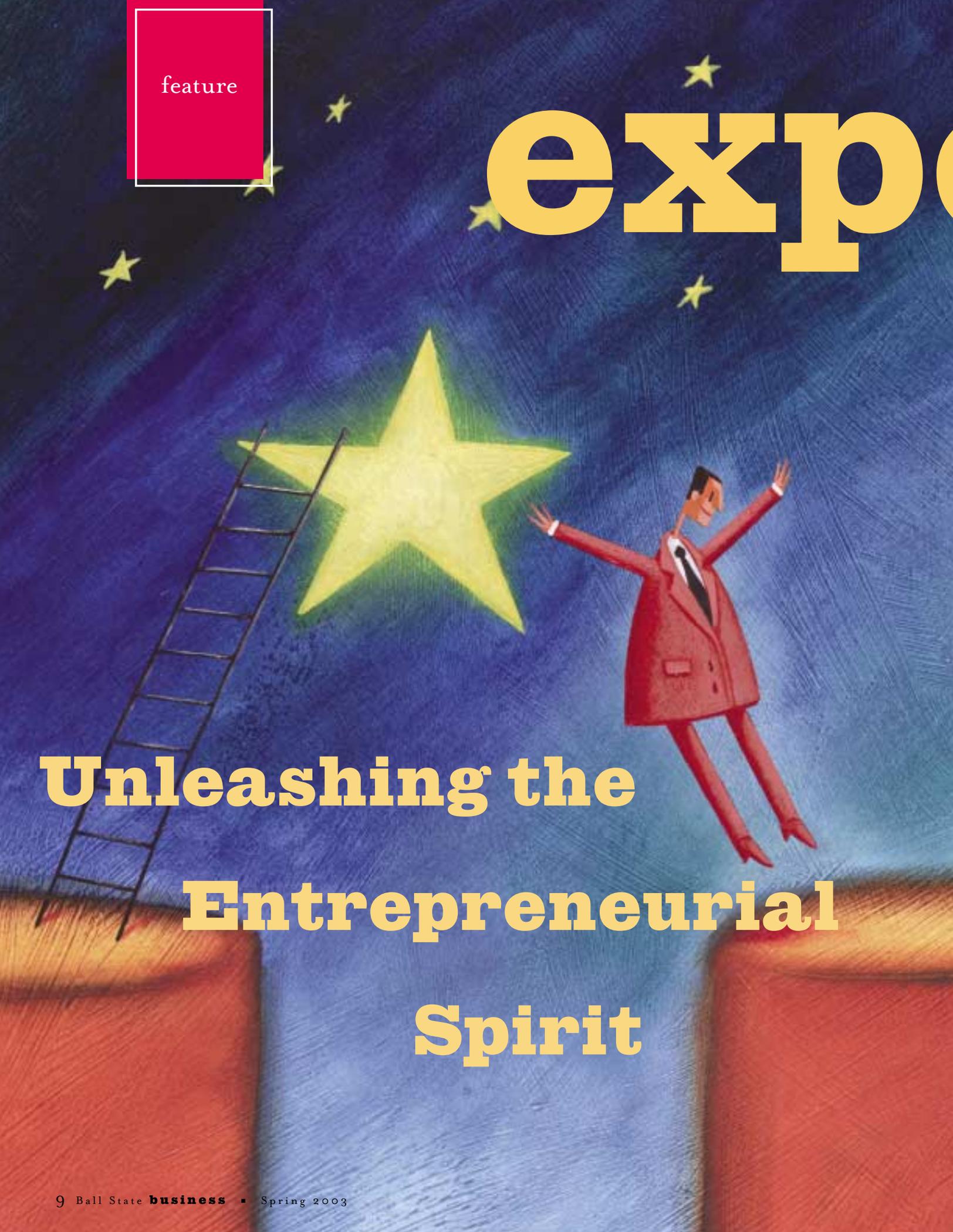
\$2 billion annual sales



1998 Ernst & Young Entrepreneur of the Year

feature

exp



**Unleashing the
Entrepreneurial
Spirit**

a spine-sweating experience

By Susan Holloway

Risk. Vision. Spirit. These are the intangibles that are essential to any successful entrepreneurial venture. They're also the basis for the success of Ball State University's entrepreneurship program and its graduates.

"Most academic disciplines work hard to touch the minds of students," explains the program's founding director and Stoops Distinguished Professor Donald F. Kuratko. "But I think we go a step further and touch their very souls."

In addition to the finer points of new business development, small business management, family business, and corporate entrepreneurship, Ball State students learn first-hand about risk, vision, and the spirit of entrepreneurship—challenges that critics said could not be accomplished in the classroom.

Kuratko and scores of successful graduates who have benefited from what has been described as the "ultimate entrepreneurial experience" have proved otherwise. To them, it's more than a program. It's a calling.

"We do more than have students write business plans. I've witnessed how we've changed lives," says the energetic Kuratko, who is known to his students simply as "Dr. K."

In its 20 years, Ball State's entrepreneurship program has achieved top rankings in the nation's fastest growing field of study at the college level. With a commitment to outreach and research

through its NASDAQ-sponsored Midwest Entrepreneurial Education Center, and as home base for a national consortium of university entrepreneurial centers, the program has established a position at the forefront of entrepreneurial education, research, and innovation.

Kuratko—who grew up as part of a successful family business in Chicago—arrived as a faculty member at Ball State in 1983 with a vision of "creating something special" for students interested in pursuing an education in small business.

Risk.

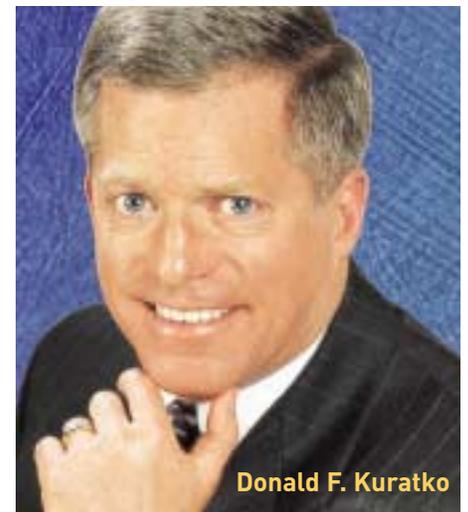
It was a risk. At the time, only a handful of universities were offering entrepreneurship majors. "There was very little credibility among universities for this type of major," says Kuratko.

But Ball State—looking for niche areas to develop within its College of Business—was willing to take the risk. "That's unusual. That's entrepreneurial," comments Kuratko. It was also, he says in retrospect, perfect timing. "I don't think anyone, including myself, recognized in the late '70s or very early '80s what was about to happen," he explains, referring to the initial collapse of some Fortune 500 companies and increasing unemployment, interest rates, and inflation of the time.

The country began to shift from an institutional-bound economy into an entrepreneurial mode, ushering in what would come to be known as "the

decade of the entrepreneur." Within that context, Kuratko says, "We were able to be pioneers."

Like pioneers in any field, Kuratko recalls that the early years of the program were exciting, but sometimes lonely. "There was not a great deal of support from entrepreneurs or academ-



Donald F. Kuratko

ics," he explains, noting that both businesses and academic institutions thought business schools were supposed to be educating future employees of the Fortune 500. But as a new and somewhat unknown commodity—a maverick of sorts—Kuratko was given the freedom to create courses and build the program. As a result, he found a way to address a key criticism that had been leveled at entrepreneurship programs by both academics and practicing entrepreneurs: How can you teach risk—a major component of the entrepreneurial experience—in the classroom?

Even Kuratko's father told him that until students went to bed at night and could feel their spines sweat, "you've taught them nothing about entrepreneurship."

"I took that to heart," recalls Kuratko. "He encouraged me to build something truly unique in the nation, which would be a real entrepreneurial laboratory for students to actually experience risk."

The outcome was the program's now famous "spine-sweating" New Venture course, which puts on the line what is near and dear to the hearts of college seniors—graduation. The capstone course requires each senior to present an original business plan before a panel of business professionals. If the plan is deemed feasible by the evaluators, the student receives an A. If not, the student not only fails the course, but does not graduate that semester.

Today, the course remains the core of the program and is still the only one of its kind in the country.

"Looking back, it was a terrifying experience, but it's also one of those experiences you remember forever because it was so exciting and so real,"

explains Brian Marsh, a 1992 graduate of the program who is CEO of Overland Models, Inc. in Muncie. "It means a lot to say, 'This is what I did my senior year: I put myself in jeopardy.' When I go to a bank or work on a business loan or talk to a lawyer, it's not as daunting because I've had that experience. It makes you feel like you can do anything."

And that's precisely Kuratko's goal. "What I'm really after is getting the students to understand that to get to anything great, you have to take a risk," he explains. "Most of us look at risk as a mountain. I want students to understand that if you do your work, you start to chip away at that mountain, and you're going to find that it's a hill. And once you get up that hill—on final E-day as we call it—you're going to have such confidence in yourself. Whatever challenges you may face, you'll know how to mitigate the risk—and do so better than maybe 95 percent of the people in this country."

Kuratko's determination to achieve excellence has resulted in national rankings for the program. "Some people say I'm obsessed with rankings and I am, for one reason," he explains. "It's impor-

tant to be proud of where you spend your college years. So I felt it was my job to create a program that could be so nationally powerful that our students could put their heads up high and say, 'Now that I've come out of a great university and my program's one of the best in the country, I don't have to take a backseat to graduates of Harvard or Stanford or anyone.'"

When the entrepreneurship program received its first national recognition with the George Washington Medal of Honor in 1987, it began to develop "believers" from both the academic and business worlds. Then, in 1993, *Business Week* magazine published its first ranking of the top 20 entrepreneurship programs, and Ball State's undergraduate program was on the list. Accolades began to pour in, including top rankings in *Success* and *Entrepreneur* magazines, but Kuratko was still after "the granddaddy of all rankings" —*U.S. News & World Report*, whose rankings rely on ballots completed by top business school deans. In 2000,

Fred Gill, 1997 President, Gill Enterprises, Inc., Seymour

Gill comes from a long line of small business owners, and right out of college he put into action the business plan he had developed at Ball State: he and his brother, Toby, opened their own hometown restaurant. Today the two are partners in Gill Enterprises, a real estate investment and development firm. They also recently returned to the restaurant business with the Funkey Monkey, a pub that features good food and live music.

Gill believes the basis of his success is "my work ethic and the entrepreneurship program, which are pretty much

tied together." He says, "While I was working on my business plan, many times late at night I'd be at my computer running my balance sheet, and my roommates would want me to go out with them. I couldn't—didn't want to—because I wanted to work on the plan. Many people don't understand. I guess that's why not everyone's an entrepreneur."



"The entrepreneurship program gives you a foundation for anything you want to do. You take the process, the work ethic, and the character, and you can apply it to just about anything in life." —Fred Gill

U.S. News & World Report ranked the undergraduate program the number one entrepreneurship program at a public university. Today the undergraduate program consistently ranks among the top 10 and the graduate program among the top 20 in the country.

Vision.

“You can’t just be a bureaucrat anymore. You’ve got to be a visionary. You’ve got to be creative,” Kuratko says, noting that the ability to innovate is equally valuable in small businesses and within corporations. “No matter what your career goal, you have to apply entrepreneurial thinking to achieve that goal.”

When parents question Kuratko about what their son or daughter will do with a degree in entrepreneurship, he responds, “Whatever they want to do.” He explains that graduates can be found working in commercial banking, financial planning, family businesses, and corporate America.

“We have some pretty exceptional graduates, and I think that’s really a result of unleashing their entrepreneurial perspective.”

Kuratko’s claims are supported by graduates who credit their success to the program’s real-life experience. Small business owners Rex and Angie St. John, who both received degrees in entrepreneurship and now run Dairy Dream in Albany, appreciate Kuratko’s expertise and enthusiasm. Rex says, “We both highly respect Dr. K., not just because of all the honors, but because his heart is in the program.”

“Everything that he teaches was playing out right in front of us,” says Brian Marsh. “That’s what made it so real. It wasn’t just textbook knowledge. It was knowledge in action. We heard the stories of his job being in jeopardy,

Paul Staton, 1987 President, Kaduceus, Inc., Indianapolis

Mandy Staton, 2002 Law Student, IUPUI

Paul Staton entered the entrepreneurship program as a nontraditional student in his early 30s. After completing degrees in both entrepreneurship and nursing from Ball State, he drew from the two fields to find and fill a business niche. Kaduceus, which he incorporated in 1995, provides on-call, vascular access for hospitals in the Indianapolis area. Using an ultrasound machine to locate vessels, catheters are inserted in patients to provide prescribed products, such as antibiotics, fluids, chemotherapy, or pain medication.

His daughter Mandy was encouraged by his success. She received her degree in entrepreneurship, as well as accounting. She says the program increased her skill and confidence levels and helped her learn the discipline required for law school. Now she’s working toward her long-term goal—her own law firm.

“The New Venture course is why I am in business today. As a former entrepreneurship student, I’ve been tried by fire.” —Paul Staton

“My father is an avid fan of the entrepreneurship program and had discussed it with me since I was in high school. Now, looking back, I realize what the fuss was all about.” —Mandy Staton



the stories of the dean saying, ‘Alright Dr. K., we’ll give you a chance and you’ve got to make it work.’ And he did.”

Students witness first-hand Kuratko’s skill as an academician, but also as an entrepreneur—from putting himself on the line by seeking and securing partnerships to fund the Midwest Entrepreneurial Education Center when no university budget existed, to risking his position when the New Venture course was challenged. Graduates respect his willingness to stand up for the program in the face of criticism that business professionals, rather than a professor, determine the student’s final grade, and therefore whether they graduate.

“I know Dr. K has been challenged, but not once has a grade been reversed. I’m very proud that we continue to hold those high standards,” notes alumnus

Fred Gill, who heads his own real estate investment and development company.

Kuratko emphasizes the importance of the role of professional evaluators—members of the entrepreneurship program’s advisory board—who take their responsibilities very seriously, spending a great deal of time reviewing plans and often agonizing over decisions.

“It’s the crescendo of the whole program,” says Marsh, who now serves as a mentor/evaluator to current students. “As the person on the other side of the table, who is determining whether these students will pass or fail, it is even more nerve racking. I want the kids who graduate from the program to be just as good or as better than I was.”

Pride and gratitude have motivated Marsh, Gill, and other alumni and business leaders to continue to support

the program as evaluators, mentors, and guest speakers.

Fred Gill considers his ongoing involvement not only as a way of passing on to others the positive experiences he had, but as an investment. “It’s an investment in the overall business community, in the future of Indiana, our future leaders, and business owners,” he says.

Spirit.

Plans are already under way for a number of new initiatives, including a campus-based Entrepreneurship Dynamics Laboratory that will house the new Idea Accelerator Initiative, a public-private venture designed to determine if creative technology-oriented ideas are commercially feasible before they move into an incubator stage.

“As we continue to develop a national research focus here at Ball State, as we become the heart and soul of entrepreneurial collaboration, as an epicenter of entrepreneurship, graduates will see that we can create amazing opportunities right here in Indiana,” Kuratko says.

The entrepreneurship program team also includes two other professors,

Michael Goldsby and Jeffrey Hornsby. In Hornsby’s small business practicum course, student teams assist actual small businesses with their business planning.

“This program not only has exceeded my expectations, but it has been one exciting ride,” acknowledges Kuratko. “I don’t think any entrepreneur in the country could be any more excited about

their venture than I am, because it’s a venture that has spawned so many hundreds of other ventures.” ■

Susan Holloway is a communications manager with Ball State University’s Office of University Communications.

For more profiles, visit
www.bsu.edu/business/profiles



Scott Morris, 1987, Co-founder and Partner, LML Estate Management Corporation, Fort Wayne and Indianapolis

Morris and two childhood friends from Fort Wayne thought they wanted to go the “suit and tie” route after graduating, but instead the three decided to look for an opportunity in something they’ve enjoyed since they were kids—lawn care and light construction. “We wanted to offer a level of professionalism to an industry we felt was plagued by mediocrity,” explains Morris.

The result? A thriving business that provides customized property management for 60 upscale estates—everything from lawn care and window cleaning to valet parking and party planning, including the decorating and catering. In a nutshell, Morris says, it’s “condominium-style living for the discriminating homeowner.”

“When you’ve developed something successful, you’re constantly raising the bar. And just like the Ball State entrepreneurship program, we have the work ethic, drive, and fortitude to continue to be the bar raisers.” —Scott Morris

feature

Black MAGIC

By Layne Cameron

Joseph Burton Black Jr. did not use any magic, spells, or sleight of hand to establish a legacy worthy of celebration. By plotting a course to achieving his vision for Ball State University's College of Business, he dedicated himself to the path and did not allow himself or others to deviate. And knowing "J. B.," he probably had a few laughs during the magical journey.

Many people praise Black for the rise of the College of Business from obscurity to national prominence—routinely crediting him for three major achievements, among many others. During his time as dean from 1973 to 1984, Black moved the College of Business from a literal barrack to a new, modern building; he led the college through attaining accreditation; and he championed a salary plan able to lure the best professors to Muncie. A recently published history of the university characterizes Black as "determined, forceful, dedicated, and possessing a refreshing sense of humor."

"Well, they got the humorous part right," quips the dean emeritus. Conversations with the affable 78-year-old are sprinkled liberally with smiles and jokes. But make no mistake, the three other character traits the book cites are no illusion—they are right on.

Early Education

Black's career began in the rolling woodlands of southern Indiana. His business foundations were formed while working for his father at the family business, a lumberyard near Bloomington. Black is fond of saying that he started work in 1937, and he hasn't been without a job since.

Black was a senior at Indiana University and part of the ROTC when he was called to active duty. Four years



**Dean Emeritus
J. B. Black's
amazing performance
at Ball State**

in the Army, advancing in rank from private to first lieutenant during World War II, solidified his appreciation for loyalty and hard work. He earned an associate's degree from Kemper Military School and College. Then he returned to the lumberyard and moved up in the company. His promotions allowed him to gain insight into finance, including his father's obsession with saving money.

Shortly after his father retired, Black inherited the top spot. However, working at the lumberyard was not allowing Black to make a name for himself. Talking with his mother at lunch

Officer Candidate School, 1943



one day, "the Roman candles" went off, and he decided it was time to go to college to become a college professor.

He finished his bachelor's degree in statistics from Indiana University in 1947. While teaching at IU, he earned his master's degree in finance in 1956 and his doctorate nine years later. After completing his education and subsequently teaching at Miami University in Oxford, Ohio, he took his first deanship at Wright State University. In 1969, he returned to Kemper Military School and College to serve as the institute's seventh president.

Continually challenging himself has certainly been one of Black's trademarks, says Lynne Richardson, dean of the

College of Business. "He challenged the process often—and was successful at it. He simply doesn't let anything get in his way or slow him down."

Building the Business

Black credits his father for instilling the intensity with which he operates. And when Black came to Ball State in 1973 as dean, he was able to put his type-A approach to work immediately. He inherited a college that was scattered across campus, with many of the classes meeting in Quonset huts. He had spent enough time in sultry Army barracks when stationed in the Philippines and did not want to spend his time at Ball

College of Business Dean, 1973-1984



State in one. Students who spent time in the aged campus structures agree. Their memories may have been vivid, but they were not exactly fond.

When the Ralph J. Whiting Building was officially dedicated in March 1980, Black made a marquee event of that crowning achievement. Publisher Malcolm Forbes spoke at the dedication and received an honorary degree. Black's reward for the project, which he is as proud of today as he was 23 years ago, is that the building was "on time and under budget."

The thrill for Katherine Arbuckle, a class of 1980 undergraduate fellow, was

sharing the podium with Forbes and experiencing the pomp and circumstance that surrounded the event. "Black recognized the significance of the new building, and he made sure the celebration was first class," says Arbuckle, who today is vice president of finance for Ascension Health in St. Louis. "By securing Forbes as the keynote speaker and elevating the entire event, Black hosted a dedication worthy of the building."

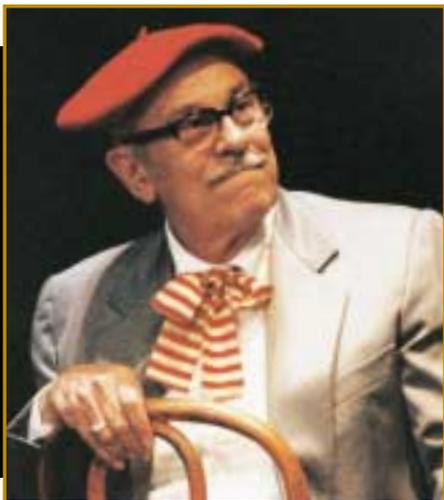
Along with speaking at the dedication, Arbuckle's duties as undergraduate fellow included recruiting potential students, a task made easy by the college's programs and professors, she says. The building simply added a worthy

"It's tragic to work your entire life doing something you hate . . . the greatest blessing is having a job you love."

place to showcase the college and to help dazzle her recruits.

During the three years it took to construct the Whiting Building, the College of Business laid another important cornerstone. During the 1977-78 academic year, the college earned accreditation from the organization that today is called AACSB-International: The Association to Advance Collegiate Schools of Business. The first bid at accreditation failed, but a committee of dedicated faculty worked to make the second bid successful. "I had six department chairs and an associate dean I would put up against any business school in the country," Black says. "They and the faculty dug in and made it happen."

Tony Smith, who is a partner in Indianapolis for Ernst & Young and a 1968 graduate, remembers traveling to Muncie to attend dinners with the accreditation team. The team wanted to interact with companies that employed recent graduates. He was able to vouch for graduates' skills, the quality of their education, and that they were fully prepared to enter the workforce. "Ball State has always been a source for very qualified candidates. I have never had anyone knock a Ball State business degree," Smith says. "Personally, I have never pursued an advanced degree, and I would say I have done pretty well for myself."



Civic Theatre Production, *Singing in the Rain*, 1985

A study conducted after the failed first accreditation attempt confirmed what Black already knew: the college needed to hire more professors with doctorates. To compete with other universities also working to attract such faculty, the college needed to break away from the university salary scale. Good professors are worth what the market will bear, and they should be paid well regardless of their subject matter, Black says.

By convincing university officials to adopt an approach to setting compensation packages that recognized market factors and awarded merit, Black was able to complete his trio of major accomplishments in 1983, one year

before retiring as dean. On May 21, 1988, he retired from Ball State.

Escape from Traditional Retirement

Black may have had a retirement party, but he has yet to embrace the basic premise of the celebration. He cannot understand how people spend their lifetimes hating work, yearning for retirement, and then squandering it by doing nothing. "It's tragic to work your entire life doing something you hate," Black says. "The greatest blessing is having a job you love."

Rather than downshift and idle away his senior years, he serves as an elder at his church, a board member of Christian Ministries, chairman of the board for MITS (Muncie's public transit system), and maintains membership in three different Rotary Clubs—an activity that has earned him the nickname "Mr. Rotary."

With all this activity, he still finds time to teach. Twice a week, Black is up at 5 a.m. to begin his teaching day. Rather than taking a short jaunt through neighborhood streets to campus, he speeds along the interstates to one of Indiana's correctional facilities.

The prison program was founded by Ball State's School of Extended Education in the mid-1980s and has grown from one site with under 20 students to six sites and more than 1,000 students. The notion of giving an education to a criminal, Black admits, is not the most popular one. The self-described "numbers man," however, has a monetary response for those who debate the worthiness of educating prisoners.

It costs the state \$34,000 a year to house an inmate. If inmates complete their degrees, they reduce their sentence by two years, a savings to the state of \$68,000. Deducting the cost of providing the education, \$14,000, produces a net savings of \$54,000 per inmate, Black says.

Continuing his numerical debate, Black adds that recidivism among inmates who complete degrees is less than 10 percent, compared to 75 to 85 percent among the general prison population. "We are saving taxpayer dollars and giving the prisoners a second chance at life," Black says.

An Act of Giving

Along with providing a second chance for inmates, Black also rewards Ball State undergraduates and graduates who are dedicated to be the best. Being admitted into Beta Gamma Sigma is the highest honor that can be bestowed upon a business student, Black says. When the Ball State chapter was established in 1979, students did not appreciate the significance of the fraternity's invitation. "They saw that there was a cost and thought it was a rip-off," Black says.

When Black retired, he and his wife, Mary Jane, set up a foundation to pay students' \$50 initiation fee into Beta Gamma Sigma. Over the last three years, 117 students have been awarded membership. To ensure the tradition continues, Black has bequeathed \$100,000 in his will to the College of Business. A Beta Gamma Sigma monument, dedicated to Black, stands as a tribute to his determination and boundless energy.

The plaque that adorns the college's lobby displays the fraternity's mission: "To encourage and honor academic achievement and personal excellence in the study and practice of business."

To some degree, the fraternity's mission mirrors that of Black's. To truly capture Black's persona, however, the mantra would have to include: "Be sure to smile, laugh, and enjoy life while you're at it." ■

Layne Cameron is a media relations manager with Ball State University's Office of University Communications.



increasing the value of your investment

These days the successful safeguarding of your business investments requires vigilance.

As investment broker Craig Dunn sees it, the same holds true for the investment you have made in your Ball State business degree. It doesn't end with framing your diploma and hanging it on your office wall. And it's not about a little periodic attention from the feather duster either.

Dunn believes your degree, like any significant investment, requires a healthy dose of watchfulness to protect its value. Dunn knows about watching one's interests: he manages about \$175 million in client assets as president of Liberty Financial Group in Kokomo.

"The primary reason why I stay connected with the College of Business is that my diploma has a value associated with it based on the perception of the people who are out in the workforce today. And that perception is based on the quality and performance of our graduates, past and present," explains Dunn.

He says everyone's diploma can become more or less valuable over time depending on the growth or decline of the institution's reputation. That's why he's come back to work for the College of Business—to protect his investment. He has served on the College of Business Alumni Board of Advisors for the past five years, and has just completed his service as board president. He says there are plenty of opportunities for

alumni—young and old—to share their time and talents.

"You can't help but learn some new things from your exposure back at the university. You get a feel for what current students are learning," says Dunn,



who also says he benefits from the knowledge exchange garnered through contact with fellow alumni and business professionals.

Alumni can get involved with the College of Business in a variety of ways, including coming to campus to speak to current students during the many organized programs the college now offers such as Dialogue Days and the Advanced Professionalism Certificate Program. "We are looking for alumni who can share their expertise in areas such as business ethics, job hunting, and interviewing skills," says Dunn. Also the

alumni board and the advisory boards for each business program have been newly expanded and need the talents of enthusiastic alumni.

With the demands of technology as well as competitive pressures, Dunn cautions that we must never stay in place. "We've got stiff competition out there today from other universities, so we need to keep moving forward. But there's a price tag. We need to remember our university with both our time and our giving. And we need to remember our university when we talk to our state representatives, and let them know we need our fair share of funding."

If you are interested in learning more about special projects for alumni, please contact Jim Ittenbach, Alumni Board president, at: jittenbach@smari.com. ■

Advocating Ball State involvement isn't Dunn's only side endeavor to his career. He knows the value of diversification as well. He is author of two books on the Civil War: Harvest Fields of Death and Iron Men. Iron Will. He operates a commercial Web site, www.civilwarindiana.com, where more than 2,400 rare Civil War photographs from his personal collection can be viewed. Dunn graduated in just three years with a degree in management and finance in 1975. He had a swimming scholarship and was Richard Lugar's Ball State campus senate campaign chairman.

Ron Barsh, B.A. in Business Education 1970 and M.A.E. 1973, has retired after 32 years of teaching business at Kokomo High School.



Rodney L. Bishop, B.S. in Business Administration 1962, is retired from Solutia, Inc. where he served as vice president and treasurer. He is currently on the board of directors for the National Kidney Association.

Jason Blackman, B.S. in Management/Entrepreneurship-Small Business 1996, is the southeast property manager for Cricket Communications in Nashville, Tennessee. He also owns and manages the Diversified Property Management Company.

Richard Boyles, B.S. in Accounting 1982, is senior vice president of City Securities Corporation in Indianapolis.



Paul Buch, B.S. in Accounting 1976, is a manager of business analysis for the U.S. consumer card group of American Express in New York City.

Tracy L. Clark, B.A. in Office Systems Administration 1992, is vice president of Real Estate Management Corporation in South Bend, Indiana.

Matt Deitchle, M.B.A. in Information Systems 2002, is a systems analyst at Steak 'n Shake's corporate office in Indianapolis.

Eric Farnsworth, B.S. in Economics 1988, has recently become head of the Washington, D.C. office of the Council of the Americas, the premier organization dedicated to the promotion of U.S. policy and commercial interests in Latin America, the Caribbean, and Canada.

Meredith W. Fry, M.A. in Economics 1985, was named Engineer of the Year in 1992 by the Indiana Society of Professional Engineers.

Brent Gutzwiller, B.S. in Management-Information Systems 2000, has moved from systems analysis to sales within Eli Lilly & Co. in Phoenix.



Richard Hutson, B.S. 1960 and M.A. in Business Administration 1962, is chairman of the Ball State University Foundation. He just finished his chairmanship of the board of Harris Bank in Libertyville, Illinois.

Jack Edwards Keller, B.A. in Finance 1994, received his M.B.A. from Butler in 1999 and is currently the chief financial officer for FiberCorr Mills.



Michael B. McBride, M.B.A. 1992, is a staff engineer with the Hamilton County Highway Department.

Beth Ann Olinger, B.A. in Business Administration 1993, is assistant director of special events for the Ball State University Alumni Association.

Patrick F. Sawin, B.S. in Finance 2001, is with American United Life.

Dirk D. Smith, B.S. in Mathematical Economics in 1978 and M.B.A. in 1991, has recently been named corporate training manager for First Merchants Corporation.

Christopher Thomas, B.S. in Marketing 2002, is an account executive with Neighborhood Email.

Neil Andrew Toney, B.A. in Marketing 1986, is an attorney for Hunt & Associates in Portland, Oregon. He received his M.A. from Indiana University, and his J.D. from Willamette University.



Thomas Underwood, M.B.A. 1996, is assistant vice president for financial planning and analysis for Bankers Life and Casualty Company in Chicago.

Denis J. Weber, M.B.A. 1967, is a self-employed registered investment advisor in Dana Point, California, trading through Charles Schwab and Co.

Jack Wilson, B.S. in Accounting 1979, is president of EBiz Solutions, a software development company in Indianapolis, which specializes in software for the tourism industry.



Michael G. Ziga, Jr., M.B.A. 1989, has recently joined Deaconess Health System in Evansville as manager of the internal audit department.

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