FAREWELL TO PROFESSOR DICK ENGLISH

Accounting Professor Richard English died on December 13, 2011, from complications of Burkitt’s Lymphoma. He was 67. Thousands of Augustana College students encountered Dick’s keen sense of humor during his 35-year tenure. He prepared not only accounting students, but also taught ethics, income tax and personal finance. Dick served as department chair from 1995-1998. He retired in 2009 and in 2010 received the Outstanding Educator Award from the South Dakota Society of CPAs. Dick also kept busy by preparing and checking income tax returns over the years, most recently for Woltman, Van Kekerix & Stutz in Sioux Falls.

Students around the country mourned Dick’s death. One email, from alumni Dane Yde, expressed this loss eloquently: “I had no idea that Professor English had been diagnosed or undergoing treatment. It is a very sad day for the Augie community. I know you remember how much I liked mornings during my Augie years, but I will say that Professor English got me out of bed every morning for 7:30am class for two straight months of my summer junior year. I never had so much fun. He had so many stories about life experiences and so many funny little anecdotes that always kept the students engaged in the discussion. I never felt like I was being taught by a professor at a university. Being in class with Dick was like morning coffee with a friend, mentor, or maybe even a relative, depending on how well you got to know him, that lasted ALL morning (for me it always felt like a relative). It was my great pleasure to have had him at Augie, as not only my professor, but as a friend. He was never too busy for anyone. He was a great man.”

Colleagues, too, were saddened at Dick’s untimely death. Dr. Peter Schotten, Social Science Division Chair, said, “Dick English brought to accounting an uncommon passion more often observed in antique car collectors or fantasy football league enthusiasts. That passion spilled over into the classroom. There, Augustana students benefited from his dedication and his professionalism. For that reason, they, and we, were blessed.”

In addition to benefit alumni and colleagues, Dick’s family feels his loss. Survivors include his wife, Bev, children Barbara, Elizabeth, Theresa and Daniel, plus six grandchildren, two brothers and several nieces and nephews. The family requests that memorials be directed to the Dick English Accounting Scholarship at Augustana College. To make a memorial gift, go to www.augielink.com/donate and designate your donation to a specific memorial or send a check to the Office of Development, Administration Building, 2001 S.Summit Ave., Sioux Falls, S.D., 57197.

GETTING DOWN TO BUSINESS

PERSPECTIVES ON U.S. ECONOMIC RECOVERY

Students preparing themselves for a career in business have been daunted by the state of the U.S. economy and what that means as they prepare to hit the job market. They are entering perhaps the most challenging time in the last 90 years to compete for jobs. The U.S. Chamber of Commerce has captured a nationwide perspective of economic health in its publication, “Enterprise States: Recovery and Renewal for the 21st Century.” The report itself takes a state-by-state look at factors that influence economic growth. The Midwest (especially the states of South Dakota, North Dakota, and Nebraska) enjoys fairly steady performance in exports, innovation & entrepreneurship, tax and regulation, workforce and infrastructure. Of the 32 areas measured, South Dakota ranks among the top 10 in 13 categories and among the top 25 in 9 additional areas. In fact, South Dakota ranks first in business tax climate – no surprise – as well as in the small business survival index, and second in both productivity growth and transportation infrastructure performance. The full report is available at http://www.uschamber.com/reports/enterprising-states-2011.

Signs of the recovery abound, offering solace to recent and soon-to-be graduates. We take a look here at how nine alumni view what’s happening when we get down to business. Each Augustana College alumni writer featured here has a unique vantage point from which to view the economy. Scattered through the decades, among industries and across the country, they all share foundational Augustana College business preparation.

CHECK OUT DR. ROBERT WRIGHT’S BOOK, “FUBARNOMICS: A LIGHTHEARTED, SERIOUS LOOK AT AMERICA’S ECONOMIC ILLS,” AVAILABLE ON AMAZON

Ever wonder why we allow six guys in hardhats to stand around doing nothing while traffic snarls? Why you can’t refinance your home mortgage because other people stopped paying on theirs? Why young people in poor-paying jobs with small children are forced to pay a large percentage of their incomes to people who had decades to work and save? How healthcare and health insurance got so expensive? If you’ve asked yourself any of these or similar questions, or gotten queasy contemplating what passes for economic analysis in the media, this book is for you.

FUBAR, an acronym stemming from World War II GI slang, means “fouled up (or some other ‘F’ word) beyond all recognition.” To economic historian Robert E. Wright, “fubarnomics” perfectly captures the sorry state of our economy today.
TELEMEDICINE CLOSES DISTANCE BETWEEN PATIENTS AND PROFESSIONALS

When a patient enters the emergency room in Baudette, a town of 1,100 along the Canadian border in northern Minnesota, access to medical specialists is just seconds away. Baudette’s hospital uses Avera eCARE to help provide their care and ensure patients receive the most appropriate treatment. Board-certified emergency room physicians and certified critical care nurses staff Avera’s eCARE hub around the clock at Avera McKennan Hospital in Sioux Falls, SD, waiting to help any of the more than 50 hospitals across six states participating in the service. eCARE is just one of the programs offered through Avera eCARE, which is a visionary patient care model providing rural communities with 24-hour access to specialty care physicians and pharmacists who support the rural health care workforce through specialized audio-video medical technologies.

Telemedicine has been around for decades but recent advances in technology have increased its viability in health care. Avera eCARE is one of many telemedicine programs experiencing rapid growth as healthcare systems recognize its potential to help reduce the cost of care and improve patient outcomes. This allows physicians to extend their care and reach more patients, both within and outside the hospital. Telemedicine is currently being used to facilitate follow up visits, monitor intensive care patients, and review medication prescriptions in hospitals without 24-hour pharmacy services. South Dakota and the Midwest are in a unique position to capitalize on the potential of telemedicine because much of the region’s population cannot easily access specialists and fewer and fewer medical school graduates are pursuing careers in rural medicine. As the quality of equipment improves and costs decline, physicians will be able to do even more over video to care for patients hundreds, or even thousands of miles away.

The potential for telemedicine in the coming years is extremely bright as new and innovative ways of using the technology are recognized and the cost of equipment decreases. Telemedicine will not replace a physician at the bedside, but it will have a significant impact in the way medicine is practiced and ensure patients receive the best care possible. Avera eCARE will continue growing in rural communities to better assist facilities and providers in caring for their patients and help rural areas remain vibrant in the future.

REAL ESTATE MARKET TURNS CORNER

Siouxfallscommercial and investmentreal estate marketshavefinally turned the corner and can be characterized as recovering as we start 2012. Sioux Falls has historically been sheltered from national recessions and negative trends in decades past. However, our local business climate was directly and negatively impacted by the national and global slowdown from 2008 through 2010. Commercial real estate markets have a direct correlation to business health and confidence. Healthy, growing businesses buy or lease additional space and hire more people. When revenues and cash flow contract, businesses respond by suspending new leasing or buying activity in the face of uncertainty. Our local business climate certainly reflected this trend. The office market over the last several years correlates the uncertainty Sioux Falls business owners encounter in the recessionary business environment. Office sales volume in dollars plummeted nearly 50% in 2008 from 2007 levels. The following year offered no respite as credit markets froze and confidence waned further with another 50% drop in sales volume in dollars. 2010 saw sales volumes at 2009 levels roughly unchanged and national uncertainty continues to be the norm. The office market subsided and the real estate market turned the corner.

S. D. FARES WELL IN STATE ECONOMIC COMPETITIVENESS INDEX

"South Dakota and the Midwest are in a unique position to capitalize on the potential of telemedicine because much of the region’s population cannot easily access specialists and fewer and fewer medical school graduates are pursuing careers in rural medicine."
IS THERE EVER A GOOD TIME TO START A BUSINESS?

Despite the overall stagnant prediction on the current economic national on a level, I made the decision to pursue full-time entrepreneurship in 2011 because I see the downturn in the economy as an opportunity. The economic climate for small business startups shows immense potential. In fact, many of today’s most successful, innovative corporations got started during economic downturns. From my perspective, there’s never been a better time to watch the kind of businesses women helping women. As an author, speaker and trainer in the personal development field, I'm in the business of seeing inspiration, empowerment, success, motivation and personal growth — all things currently in high demand. More than ever, people are unsatisfied, unhappy and ready to make positive changes in their lives to achieve higher levels of success in work and life and that’s where I can be of assistance.

In today’s information age, the advances in technology enable small business owners like myself to do more than ever before with lower start-up costs, creating more opportunities for business growth and success. Regardless of your location, it’s much easier and more affordable to market products and services to a larger market as well as to network and to collaborate with potential business partners using the internet and social media. Technology allows small business owners to expand their reach beyond local and regional markets to gain access to the global marketplace. Even the smallest business owner has an international network at their fingertips, thanks to all the advances in technology. It seems surreal that my business is headquartered in Sioux Falls, SD, yet I have sold books and products to multiple countries and my newsletter is read by an international audience.

Technology also creates opportunities to team up with other businesses in joint ventures and strategic partnerships to help accelerate growth quicker, reach markets in broader, geographical areas and bring our resources together to increase the likelihood of small business success. Thus this culture and trend will continue to grow. Now is a wonderful time to be a global entrepreneur.

I think a slow economy can add fuel to your fire if you have a great idea and passion behind it. We can’t let the uncertainties of the current economy deter us from stepping out and pursuing a new venture. In fact, it seems that more and more, the traditional path to success and collaboration will continue to grow. Now is a wonderful time to be a global entrepreneur. If you have a slow economy you can add fuel to your fire if you have a great idea and passion behind it. We can’t let the uncertainties of the current economy deter us from stepping out and pursuing a new venture. In fact, it seems that more and more, the traditional path to success and collaboration will continue to grow. Now is a wonderful time to be a global entrepreneur.

ADVICE FOR OPERATING IN THE NEW BUSINESS CLIMATE

Then the final goal comes into play – to develop mutually-beneficial skills (skills that benefit my employer and my career interests) and to develop mutually-beneficial skills (skills that benefit my employer and my career interests) and be prepared. Whether it was leading operations for the Sioux Falls Canaries, writing for Nike, Inc., or handling grassroots marketing for the Girl Effect, I discovered that the best ways to situate myself in the best location possible, and always look up field. To develop mutually-beneficial skills, I strive to do as the old adage goes, offer the most bang for the buck. While I am a marketing manager, I am also a designer, editor, grant writer, producer, analyst …

As for the second task, I focus on choosing the location for my career’s first, rather than a position or organization. Why? Because the location offers options during the good and the bad. Colorado (the location in my case) offers a business climate that is unique in terms of supply and potential. While the state does not have the most nonprofit organizations in the nation, the vast number of nonprofits in the Boulder/Denver area is nearly unmatched, offering significant opportunities for jobs and networking — the supply.

Colorado also fosters an ideal climate for entrepreneurship (a career goal of mine) — the potential. As highlighted in “Entreprising States: Recovery and Renewal for 21st Century” Colorado is ranked second in the nation in innovation and entrepreneurship and is first in small business loan activity. With supply and potential, Colorado was (and is) the location for me.

Then the final goal comes into play — looking up field. As mid-to-small sized companies continue to consolidate and nonprofit organizations shrink budgets, the need for full-time writing and marketing professionals is dwindling which is an opportunity. So, while I continue to adapt my skills and grow my responsibilities for LinkedIn, LLC, a content creation and marketing consulting firm. By looking up field, I might be lucky enough to accomplish two goals — working for myself and continuing the business in the business world. Like the weather in Colorado, the business climate will continue to ebb and flow rather than stiff. I chose to be prepared.

Julie Malmberg is a 2003 Augustana College alum, has an MBA from the University of Chicago and is currently the Manager for Friendship Bridge, Cola. She also recently started her own content creation and marketing consulting firm, Write on Red, LLC.

The business climate is as consistent as the weather in Colorado — it is always up and down, and the only way to find level ground is to be able to adapt to all circumstances. Rather than fear the unknown, once my career situation or try to predict the unpredictable, my strategy is simple: be prepared.

The current economic downturn poses an obvious challenge for good managers. When and how do you respond? I’ve heard some say that they will take action “at the first sign of trouble.” I don’t know the first sign of trouble, but I’ll bet you know the obvious ones – like flat or declining revenue, eroding profitability, performing below peers and losing market share. Critically evaluate your organization and face problems squarely. Declaring “I’m not in trouble and this is not a turnaround” isn’t helpful. If sales are declining or you’ve posted a loss, it’s time to get busy. For those who aren’t dealing with a decline in their business, evaluating (a) what poses the greatest threat to your organization and (b) what action are you taking to address the issue?

Experience also shows that taking action to remedy a troubled situation is almost always better than inaction, especially when resources are being consumed. Face the things you fear the most and get on with the fix. If the facts suggest a change of course, and you resist, the problem may be you.

Julie Clark is a 2000 graduate of Augustana College. She is an award-winning author, speaker and founder of The Inspirational Coffee Club. She travels nationally and presents keynote talks and training programs that help women learn leadership strategies for living life to the fullest. Her first book, Inspirational Coffee Breaks for Women: 12 Ground Rules for Pouring Your Heart into Life became an Amazon.com best-seller and a finalist in the national USA Book News Best Books of 2010 awards. You can learn more about Julie at: www.theinspirationalcoffeclub.com.

Thank you Lord for business owners who refuse to change and managers who dawdle, without whom I could never pay my mortgage.

— Prayer to a patron saint of consultants and turnaround professionals

I spend my time working with the owners of troubled businesses, trying to diagnose their problems and help them back to profitability. Medical analogies are very apt. We are akin to a doctor who must tell the patient to stop smoking, drinking, over-eating and leading a sedentary lifestyle. In some cases, however, the diagnosis only needed to actually make sure the patient complies. Most of our time is spent advising management – often people who don't want to listen to us – so both resistance and tension is common. The question I am most often asked by curious friends or acquaintances is “what is the most common cause of corporate distress?” The answer: management’s denial and slow response. In other words, not changing fast enough (yes, it’s both). A related question and answer I could offer: what is the most common problem we have with clients? The answer: not listening. Hmmmm. Seems like there may be a common behavioral theme.

I think a slow economy can add fuel to your fire if you have a great idea and passion behind it. We can’t let the uncertainties of the current economy deter us from stepping out and pursuing a new venture. In fact, it seems that more and more, the traditional path to success and collaboration will continue to grow. Now is a wonderful time to be a global entrepreneur. If you have a slow economy you can add fuel to your fire if you have a great idea and passion behind it. We can’t let the uncertainties of the current economy deter us from stepping out and pursuing a new venture. In fact, it seems that more and more, the traditional path to success and collaboration will continue to grow. Now is a wonderful time to be a global entrepreneur.
DEFENSE INDUSTRY PROSPERS DURING TOUGH TIMES
Julie (Gifford) Cusher

graduated from Augustana College in 2004 with majors in Mathematics, Business and Secondary Education. She earned her MBA from Carlson School of Management, University of Minnesota, in 2007. She writes from her perspective as Group Business Manager, MIT Lincoln Laboratory, Lexington, MA.

The defense industry has certainly felt the implications of the business climate but in different ways than other industries. In specific cases, it would appear that there has been an opposite impact where steady growth has been seen over the last couple years. For example, MIT Lincoln Laboratory, a federally funded research and development center (FFRDC) has continued to grow rapidly, hire, and receive more project funding than any previous year. This trend is primarily spurred on by the military actions overseas and the desire for advanced defense technologies in order to stay ahead of the competition – US adversaries. This is certainly not to say that the organization has not felt the negative impacts or pressures of the recession. The funding for FFRDCs, such as MIT Lincoln Laboratory, show a line item on the congressional budget. An FFRDC is subject to changes made by the government and is at the mercy

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THE TECH WAR CONTINUES – U.S. COMPANIES AND THE WAL-MART GENERATION
Jacob Conway, class of 2000, is a former systems engineer-turned-recruiter. He founded several recruitment firms, helping San Diego-based Kinetico grow its business from 50 to $53 million in revenue, earning the 43rd spot on Inc. magazine’s 500 “Prettiest Growing” firm. Jacob recently joined the publicly traded global internet company Novartis as Senior Manager, Human Resources and writes frequently about outsourcing jobs, specialization, and perceived value.

It’s easy to bathe in self-loathing when reviewing budget cuts, employment cuts and salary inflation each year. However, the American education system is the one area that continues to improve. According to the Bureau of Labor Statistics, job seekers with a bachelor’s degree or higher have an unemployment rate of 4.1%. When cutting edge skills, (which most U.S. companies are looking for) are added, it becomes almost impossible to find the right talent at any price. If current job seekers are truly qualified for today’s market, then why does Google have over 1,580 U.S. jobs posted on their careers page right now? Enter China, India, Philippines, and Brazil.

When I graduated from Augustana College, my connections led me to a technical recruiter position based in San Jose, CA. During the final days of the Silicon Valley tech bubble. As the technology bubble burst, jobs continued to be outsourced as fast as the salaries diminished in the United States. In an interesting comparison, countries like China are starting to see some of the same pains the United States experienced pre-2000 with finding and retaining talent currently their general unemployment ranges around 4.3% compared to our 8.5%. As the war for talent continues in China, more companies are shifting jobs to western China and Africa to combat the 15-20% salary inflation each year. Local job losses from increased robotics and automation continue to be a major Chinese headache. But the fact remains, you still can hire any level of software programmer in China for $12,000 to $14,000, whereas it would cost around 3-7 times more in the United States.

A scary detail no one is talking about. Over 6.6 million Chinese students graduate from college each year, compared to the 2.5 million who graduate from American colleges. If a U.S.-based company truly wants to hire the best talent available, it is unrealistic to think the intellectual gold mine in China will go unnoticed.

There is a huge opportunity available for people with the right motivation. Just remember you have 6.6 million more Chinese graduates added to the job market every year, all of whom are willing to work for 3-7 times less money than you are. It is up to us as individuals to discover ourselves to compete, not just on a local level, but on a global scale.

Make a change now. You can find some tips on how to increase your odds of landing that dream job: http://networkedrecruiter.com/topic/vie w/recruiting/networked-recruiter/922- insider-tips-on-how-to-take-control-of-your-job-search.

I n South Dakota, we have many reasons to be optimistic, and our state’s economic health should be one substantial reason for our glass half-full outlook. According to the recent economic forecasts provided by the Federal Reserve Bank of Minneapolis, South Dakota’s outlook includes solid economic growth for the year. The reports predict increased overall consumer spending, employment and business investment. Businesses in the state also expect “robust” growth in wages and benefits.

While all of these official numbers point to reasons for optimism in 2012, I’m forced to consider a question constantly asked in my office — what happens after what comes next? The year 2011 was exciting, not only because we moved out from under the economic clouds of 2010, but also because of the Census. I was waiting with anticipation for the 2010 data but South Dakotans were more excited, not only as a data provider, but also as a trend analyst. The Census provides a glimpse into the future, more substantial than our crystal ball can provide.

So how does a nationally mandated survey give insight into our economy’s future? A recent whitepaper by demographers expert Peter Francese suggests that “one way to evaluate a state’s prospects is to consider the number of the Millennials aged 25 to 34 that were there in 2010.” Today’s most recent college graduates and newest members of the workforce, Generation Y, make up 75 million people in the U.S, 25% of the country’s population. As the largest generation since the Baby Boomers, the Millennials are defined by their numbers.

According to the latest census numbers, this group makes up about 12% of our state’s population. While South Dakota is not making the same strides in “Millenial Migration” as other states, we are experiencing positive changes in our young adult population. South Dakota draws more college students from out of state than it loses to other states. Using the most recent data from the U.S. Department of Education, the Board of Regents found in 2008 that more than 2,100 freshmen at South Dakota colleges were from out of state, while around 1,500 students left the state to go to school. In the end, it all adds up to a net gain of about 570 college students.

While the state’s economy has a solid outlook for 2012, defining our future will take more than an analysis of the numbers. Continued economic growth in our state will be met with a question. One that will be asked by many South Dakotans to recruit the professionals needed for South Dakota businesses to expand, to create development parks for new businesses and to support educators will keep this state growing. I’m excited to be part of that state workforce that will build on the next wave of new employees, families, new home buyers and powerful spenders.

Billie Jo Waara is the Director of Account Planning and Research at Information and Schiller, one of the region’s leading marketing agencies.

Billie Jo has professional experience in public policy, financial services, travel, retail, tourism, retail therapy and children’s rights. Through the years, Billie Jo has worked as the Director of the South Dakota Office of Tourism, a Marketing Director at Wells Fargo and Minnehaha County Treasurer. Currently, Billie Jo spearheads consumer insights research and branding efforts throughout the agency. She graduated from Augustana College with a double major in Business Administration and Government. She also earned her master’s degree in Business Administration from the University of South Dakota.

DEFENSE INDUSTRY
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of the sponsor’s funding. Since the sponsor, such as the U.S. Army, Air Force, or Navy, typically does not have a secured budget until well into the fiscal year, the FFRDC subsequently is unable to make solidified financial and strategic decisions, let alone a capital planning cycle. As a result of the current economic state, the government has operated in continuing resolution while working to pass a federal budget. Only when the federal budget is passed will an FFRDC have any hope of budget finalization. In addition, every other FFRDC’s competitor in the industry is vying for available funding. Competition for project funding is fierce.

One other pressure/concern the FFRDC is faced with in a recessionary economic climate is government shutdown, which would force the doors of a FFRDC to be closed, perhaps not immediately, but shortly thereafter. With an extended government shut-down and no incoming funding to support operations, the organization could only remain in operation as long as liquid capital could sustain it. In addition, an FFRDC may support hundreds of projects, all funded at different times and in different capacities. This means that although one project could have enough funding to sustain a government shutdown for years, another might only be able to remain in operation for a few weeks without the prospect of additional funding. Despite these pressures, and effects resulting from the business climate, there remains opportunity and growth.

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