

# THE MACKLIN BUSINESS INSTITUTE AND CENTER FOR ENTREPRENEURSHIP AT MONTGOMERY COLLEGE



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## Macklin Forum Tackles 'Ethics in Business'

by Diane Bosser

More than a year after Enron made the headlines, business ethics and excesses remain hot topics. From lunch rooms to board rooms, life in corporate America has changed. Mining the local leadership for insight, the Macklin Business Institute, in partnership with the Rockville Chamber of Commerce, held an "Ethics in Business" symposium led by keynote speaker U.S. Chamber of Commerce President Tom Donohue.

Joining Donohue were panelists: Mary Francis LeMat, president and founder, Social & Scientific Systems (SSS); Elisse B. Walter, National Association of Securities Dealers (NASD); Dr. Tulin Levitas, business ethics professor, Montgomery College; and Bob Bedingfield CPA, partner, Ernst & Young.

Donohue's pro-business, anti-regulation comments focused on the importance of maintaining a healthy U.S. economy. "American companies are the most admired in the world; and everyone wants to do business with them. If American companies get a cold, the rest of the world gets pneumonia. . . . Of 17,000 public companies, only 12 companies are under SEC investigation."

While supporting governmental enforcement of existing laws, Donohue warned repeatedly against over-regulating corporations, the source of American creativity and wealth. "You can't regulate ethics! We are also the most regulated, the most audited, the most transparent companies in the world... but we must never take away that ability to fail and the ability to create wealth—we should regulate it, but not destroy it."

### Changes for the Better

Although much of the impact of Enron, et al, has fallen on public companies, private firms have seen changes as well. CFO Mary Francis LeMat of SSS called it a new

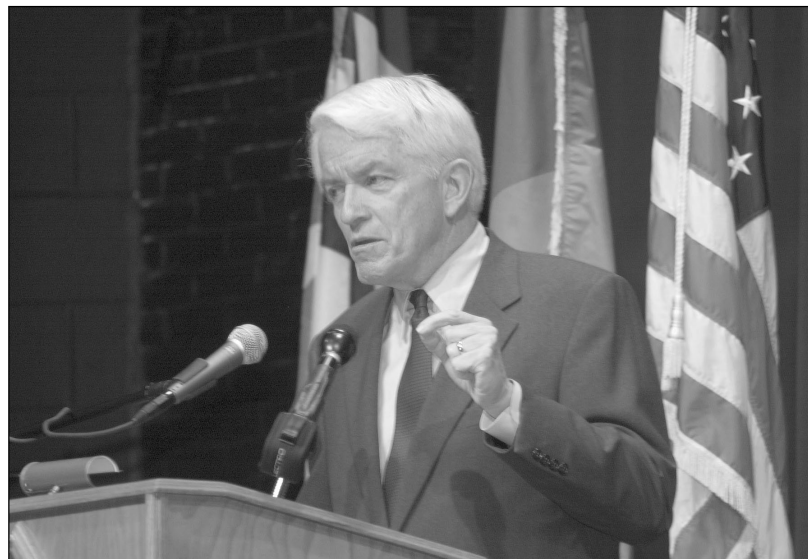


Photo by Kristine Inchausti  
Keynote speaker U. S. Chamber of Commerce President Tom Donohue recommends existing regulations while allowing majority of ethical corporations to operate without government interference.

atmosphere—one with accountability and trust. "[The employee-owners] are questioning their retirement and diversifying their holdings. Those are good things."

Although the panel disagreed on what constitutes a safe degree of government regulation, how much transparency to provide, and whether auditing and consulting practices hinder impartiality, they provided advice for those left wondering what best practices they can observe to impose accountability:

- Hire ethical people.
- Check resumes.
- Set standards at the top—do what it takes for best long-term interests.
- Punish the guilty.
- Be wary of any part of a business that becomes overly profitable.

- Teach ethical behavior.
- Maintain a system of checks and balances, like in government.
- Provide hotlines for employees to report improper behavior.
- Eliminate conflicts of interests.
- Build trust with shareholders and employees through communication.
- Communicate your business's ethical standards internally and externally.
- Allow transparency.

For more information on Macklin Business Institute and Macklin Center for Entrepreneurship events or educational program at Montgomery College, contact Professor Jeff Schwartz, director, 301-279-5151.

## MBI Partnership with U. of Md. a Win-Win

Associate Dean Patricia Cleveland of the University of Maryland's Smith School of Business and Macklin Institute Director Jeffrey Schwartz recently presented a workshop at the American Association of Collegiate Schools of Business (AACSB) annual conference in St. Louis. The presentation of "Win-Win Partnerships with Community College Honors Programs" enlightened deans from business schools across the land, such as the University of Texas and the University of Arizona.

University business schools everywhere face the issue of transfer from community colleges similar to Montgomery College. The workshop objectives were to examine the challenges and opportunities presented by community colleges to these very selective four-year programs. The strategies involved include breaking down the myths about community college student's lack of preparation to compete in these selective institutions.

Evidence shows that an honors program like the one offered by the MBI makes great strides toward leveling the outcomes of graduating seniors at UMCP. The success of MBI students who have transferred to the Smith School have done quite a bit more than simply convince those in College Park of the abilities of this small group of transfers.

Articulation of the two programs has become easier. The offering of the upper-level business curriculum at the Shady Grove Campus finds over 100 students beginning there as juniors this past fall semester, more than half of whom are Montgomery College transfers.

The partnership between the two institutions has not stopped with the honors program. The Dingman Center for Entrepreneurship at UMCP is partnering with the Macklin Center for Entrepreneurship in joint program offerings on such topics as the IT industry and an upcoming program on the global marketplace.



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