

Minding Your Business\$

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Calling All Prebusiness and Business Students!

Christopher J. Bermingham
Prebusiness

You're fresh out of high school and you're looking forward to an eventual career in the business world. All summer long you have been planning on coming to college and becoming a big shot. You want to join all of the clubs and take part in all of the activities that the Business School has to offer. But when you finally get to school, you have no idea about the specifics of what is going on (what's taking place, where it is, when it is, whether or not you are allowed to attend).

By the time you are finished reading this article, you will have no problem getting involved in the Business School. In addition to this article being beneficial for new and current students with lack of knowledge about SBC (School of Business-Camden) events and organizations, it is beneficial for executive board members of organizations who are having trouble

promoting their events and want to know how they might better reach the pre-business demographic.

The main problem with getting pre-business students to attend business school organization meetings and activities is the fact that most of them are unaware that something is taking place. If you asked a new student if they could name some activities that the business school has to offer, for the most part they would be dumbfounded. I do not mean to offend any students by that. Sometimes, it is just hard to know when something is going on.

Despite the efforts of the talented public relations directors of both the different organizations and of the school, not every student can be reached—especially those who do not yet know where to look. No matter what, there are always fliers and/or posters in every building on campus advertising any event that might be taking place. That is the first thing done (usually about two weeks in advance) to promote

events because, other than word of mouth, fliers/posters are the things that get most people's attention.

In addition to other forms of promotion, tables are conveniently and frequently placed in the campus center lobby to hopefully catch the eye of a few passers-by. I personally asked a few random pre-business majors how the SBC might better inform pre-business students about the activities it offers, and also what they thought about some of the current methods. Many of them said that fliers/posters are very informative, but things like tabling often seem to be useless. In the event that there are groups tabling for something, many students simply pass right on by because they think all of the tables are just people trying to get them to sign up for a credit card or enlist in the army.

When all else fails, there is always the SBC website (<http://camden-sbc.rutgers.edu>), which always has a calendar of upcoming events. Just stop on

every now and then to see if there is anything that interests you. With one click of the mouse you have all the information you need to know about what is going on. The site also displays a list of student organizations in the SBC, including but not limited to the Accounting Society, Ecommerce & Information Technology Society, Finance Society, Management Society, Marketing Association, National Association of Black Accountants, MBA Student Organization, MBA International Student Organization and so on, several of which have a link to their own website.

In addition to being a member of the club, many of these organizations offer a membership in the national organization of which they are a part. The national organizations provide you with opportunities to expand yourself and explore what you eventually want to become. Many students that I have

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Rutgers' Budget and You

Maureen Gallicchio
Accounting

Back on June 30th, Governor James McGreevey signed into the law, the 2004-2005 fiscal year state budget. It included some much needed funding increases for Rutgers University. For three years prior to this, the state had reduced its support for Rutgers. The increased funding of \$1.3 million is just a tiny piece of the total state funding of \$315.4 million. Sounds like a lot. The total budget for Rutgers University,

which includes all campuses, is approximately \$1.3 billion. Sounds like a lot more.

For those of us trying to squeak by on a few hundred dollars a month, it might be difficult to imagine trying to budget more than a billion a year. So how do they do it? If you have had the required Operations Management class, you may (or may not) remember a thing called forecasting, which involves predicting future demand or costs based on knowledge of past events. Using information from prior

years and factoring in known variables, like projected enrollment increases or expected salary increases, the budget analyst can prepare an estimate of the income and the expenses for the coming year.

Rutgers is of course a non-profit organization. So, its revenue should equal its expenses, plus any money set aside for long-term projects. Administrators figure out what their expenses should be for the year and then make sure they have the revenues to match. Some sources for revenues are state aid, tuition, Rutgers

merchandise, grants, donations, and others. If the university adds up its expected revenues and does not meet the expected expenses, then it has to make adjustments. Some possible adjustments might be tuition and fee increases, or cutting expenses by eliminating programs or reducing staff. For these reasons, we all have a personal interest in getting the state to increase funding to the university.

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Welcome...

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Information in this publication is intended to educate and inform. Any advice given within should not be the sole source of decision-making. Articles written from a business point of view are welcome. All articles are subject to editing for length, accuracy, and/or content. Please e-mail them to myb@camden-sbc.rutgers.edu.

From the editors...

Another school year has begun. Midterms are approaching, as some students are even thinking about graduation already. The SBC threw a successful barbeque. The SBC organizations are participating actively, and in turn, creating a pride-filled environment, in which many are motivated to take part. New students have entered as first-

year business students, as well as first year pre-business students. New teachers have been recruited and new classes added.

Indeed, the school year ahead appears promising. But our success, as a school, cannot be furthered if we do not play some part, however small it may seem. For this reason, many of the SBC organization leaders are focusing

this year on recruiting students to take part in the many activities the school offers.

Keep your eyes and ears open for meeting dates and do not be afraid to participate. Organizations are also looking for people to contribute!

Congratulations to *Rummy Pandit* New Assistant Dean, Rutgers School of Business

Management Science

Crossword Created by:
Antonio Ortiz
 Marketing

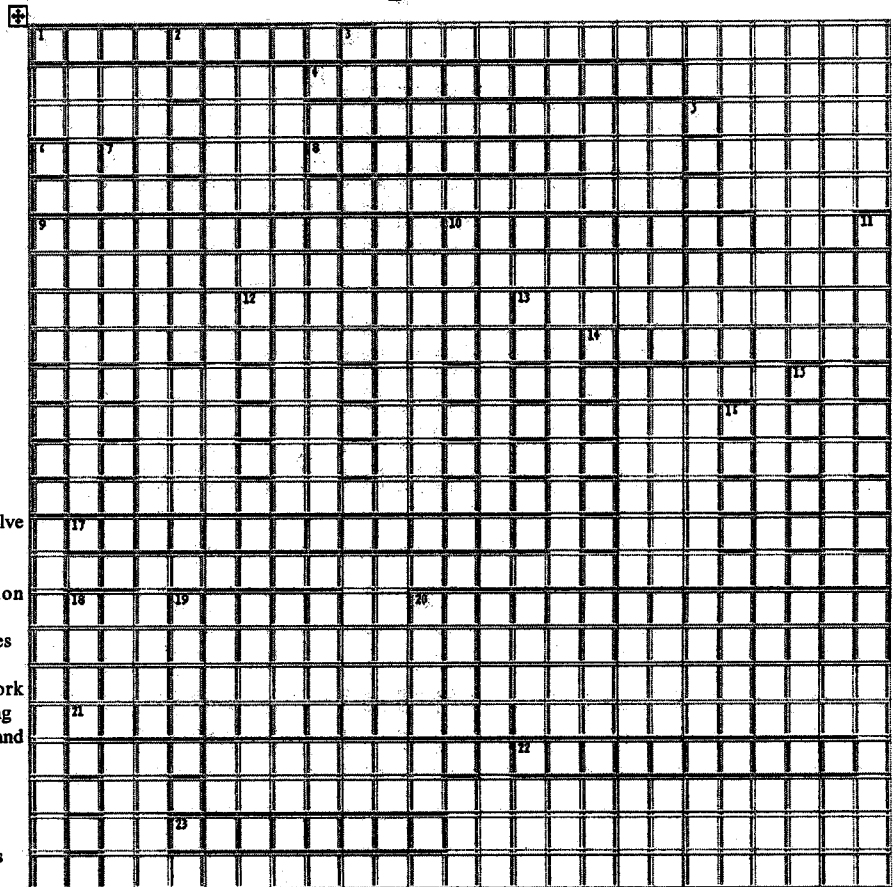
(Solutions page 8)

ACROSS

- 1 Shortening activity time
- 4 Maximum activity time
- 8 The alternative selected
- 9 Problems involving minimizing shipping cost from a set of origins
- 14 Variables that don't equal zero
- 17 Graphical representation of a project
- 19 Amount of unused resource
- 20 Rule for when simultaneous changes don't change function
- 21 Algebraic procedure to solve linear programming problems
- 22 Specific tasks for a project
- 23 Cost incurred no matter the decision

DOWN

- 2 Commonsense procedure to quickly solve a problem
- 3 Cost that depends on decision made
- 5 Representation of a real situation
- 6 Minimum activity time
- 7 All constraints are written as equalities
- 10 The best output for a model
- 11 Longest path in a project network
- 12 Variable that has no physical meaning
- 13 Graphical representation with arcs and nodes
- 14 Revenue equals total cost
- 15 Average time
- 16 Limits on a problem
- 18 Solution that satisfies all constraints
- 19 Amount above minimum level



Business

Glossary

Acting On The Acts

Joshna Fichmann
Accounting

Emotional Intelligence- an individual's ability to manage himself as well as others. High emotional intelligence means that a person is aware and control of his or her emotions and can motivate others.

End user- the user for which something is intended; the ultimate user.

Fair Credit Billing Act- under this law, you have the right to dispute charges under certain circumstances and temporarily withhold payment while the creditor is investigating them. Generally, in cases where your credit card was processed without authorization, you would be held liable only for the first \$50 in charges.

Forecasting- foreshadows or predicts price changes or increases.

Opt out- the right of an individual customer to decide not to buy from a given seller or company. Typically used in situations where one or more suppliers are identified as the primary ones in an area, as in the case of a standard offer, a competition for a competitive franchise, a community-access entity, or a co-op.

Overhead- the operating expenses of a business, like rent, utilities, interior decorations, and taxes. It does not include labor and materials.

Penny Stocks- stocks issued at a price of less than one dollar, usually for the purpose of attracting buyers that feel they are getting a bargain by being able to buy a lot of shares for little money.

Privacy policies- statements issued by a company that typically inform customers what types of information will be collected from them and how the company will use this information.

Variables- likely to change; does not have a fixed value.

Warranty- a written assurance that some product or service will be provided or will meet certain specifications.

Lending and investing is the backbone to the modern day United States economy. Associated with this activity is risk but without it, the vast opportunities to earn money and create large business would not be possible. Thus, there are several varying degrees of risk where investing into a large, long established company was confidently safer than most. This confidence is derived from the "too big to fail" attitude placed on large firms of great momentum. But, this was shaken to the core with the collapse of Enron in 2001. In the turn of a day, investors watched a Fortune 500 company, along with its associated auditing accounting firm, Arthur Andersen, fall into bankruptcy. Other Fortune 500 companies, such as World Com and Tyco, soon encountered a similar fate, capturing the attention of the federal government. George Bush's response became the Sarbanes-Oxley act of 2002, which is widely considered the largest legislation of business since Roosevelt's New Deal policy in 1934.

These corporate scandals revealed two core issues with current accounting practices. Either accounting rules were ignored by the company and by some of their auditors, or the rules themselves were so complex that even if completely held can create an ambiguous view of the entity's financial position. Enron's financial reports were immune from outside scrutiny due to numerous off-the-books affiliates and partnerships that were parties to complicated inter-company transactions. Not all of these bookings were violations of GAAP; however, they were enough to obscure the overall condition of the company.

Additional factors can be traced to the remedies placed during the integrity crises that occurred in the 80's and 90's that were incomplete. One is not effectively addressing the systematic conflicts of interest intertwined in the financial markets and corporate regulatory procedures. Moreover, the structure, organization, and membership of corporate boards of directors responsible for monitoring management have remained unchecked. This has resulted in boards of directors who act as nothing more than rubber-stamping attendants at the service of executive management. Controls over management have been further undermined by auditor independence violations, being that audit firms became engaged in a variety of consulting engagements for their clients. Audit firms during the 1990's were routinely selling

compliance systems to their clients and one such system was sold to Enron from Arthur Andersen. An auditor is not very likely to question the usefulness of a compliance system sold by his or her firm. Last, these remedies did not address the problems concerning the lax controls over conflicts of interest and the resulting infractions of lawful duty by mutual fund managers, trading floor specialists, investment banks, and other market participants.

One highly common violation was revenue recognition including anticipated recognition; "round-trip" transactions; channel stuffing; collaboration with vendors; sales booked without transfer of property; deferred accounting of discounts, rebates, or guarantees, and accounting of swaps as revenues. Xerox in June of 2002 disclosed an overstatement in revenues covering the years of 1997-2001 to the amount of \$6.4 billion. Another abuse was the disproportionate liberty of highly discretionary reserve accounts where dishonest executives could meet Wall Street forecasts by increasing or decreasing earnings with ease. Finally, Enron was the expert in the understatement of debt when it hid in special purpose entities, billions in debt causing an overstatement in equity.

Inherently, there is an agency problem with having individuals that are not directly linked to the performance or failure of a firm managing the operations. Common practice compensation is heavily emphasized on stock options. However, the excessive nature of this practice has caused a variety of inappropriate accounting records affecting revenues, costs and expenses, or special reserve accounts. Earnings per share are a gauge on executive performance. Compensation and tampering with these accounts can drastically affect the net profits of a particular operation period and earnings per share. The tweaking of net profits resulted in higher bonuses and fringe benefits for executives in the short term. However

in the long term, it would end up costing investors huge losses. All this culminates into an observation that the "tone at the top" in America's corporations is laden with self-benefit and deceit instead of ethical behavior.

The Sarbanes-Oxley Act is intended to restore confidence in the financial markets by enhancing public disclosures of financial statements, corporate accountability, and governance. This has led to the creation of the Public Company Accounting Oversight Board (PCAOB), whose mission is to regulate the auditors of publicly traded companies, to ensure the stringent, objective evaluations of prepared corporate financial statements and that there is not any conflict of interest within the audit-client relationship. The current standing head of the PCAOB is the vastly respected William McDonough, who was the former president of the Federal Reserve Bank of New York effective June 11, 2003. This Act in general calls for a higher level of enforcement over the current accounting rules. However, it also has assigned to the Security Exchange Commission (SEC) to study an alternative accounting system, called principles-based accounting. This new system's theory is to require accountants to produce an objective view of the economic soundness of a company's financial statements instead of a loophole haven within a detailed set of rules.

This Act is very complex and will present several challenges to corporate executives, financial officers, and professional service providers. Some of the items that were effective immediately at the signing into law are points showing the importance of ethical behavior and the new watch dogs in place:

- All periodic reports that contain financial statements filed with the SEC must be accompanied by a certification of the CEO and the CFO,

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Business

Book Review: *Primal Leadership*

Glenn Rohe
Management

Primal Leadership: Realizing the Power of Emotional Intelligence. Daniel Goleman, Richard Boyatzis, and Annie McKee. Boston, Massachusetts: Harvard Business School Press, 2002. 306 pp.

In the book *Primal Leadership: Realizing the Power of Emotional Intelligence*, Daniel Goleman, et al, attempt to reveal to the reader the power of emotional intelligence (EI) and to examine the substance involved in making and changing leaders. The trio also gives insight on how emotionally intelligent organizations can be built.

The most exciting aspect of the book is the plentiful narratives that decorate the chapters of *Primal*. These narratives give real life examples of leaders gone awry or, conversely, leaders who have been effective by mastering emotional intelligence. For the scholar in all of us, there are over 30 pages of endnotes to pore over. Along with two appendices, *Primal*

contains a searchable, accurate index and a number of charts and illustrations.

The authority of the material is based on the credentials of the three authors. Daniel Goleman is Codirector of the Consortium for Research on Emotional Intelligence in Organizations at Rutgers University. Richard Boyatzis is Professor and Chair of the Department of Organizational Behavior at the Weatherhead School of Management at Case Western Reserve University. Annie McKee serves on the faculty of the University of Pennsylvania Graduate School of Education and consults to business and organization leaders worldwide.

Are emotions and feeling really relevant in the business world? *Primal Leadership* reasons that "if people's emotions are pushed toward the range of enthusiasm, performance can soar; if people are driven toward rancor and anxiety, they will be thrown off stride" (5). Contrary to popular thought, being in tune with our own emotions and the emotions of those around us is tantamount to being an effective leader.

Our emotions are part of an open loop system, which means our emotions and feelings are greatly affected by those around us. This opens the door to the physiological aspect of leadership. So, Goleman examines the anatomy of the brain and shows why emotions are far more powerful than intellect.

Goleman et al. then discusses the four core competencies of EI: self-awareness, self-management, social awareness, and relationship management. Next, *Primal* goes into six styles that leaders must have in their repertoire: visionary, coaching, affiliative, democratic, pacesetter, commanding. As part of their explanation of each leadership style, the authors include the ups and downs of each, as well as real life narratives for emphasis.

What does Goleman et al. think of company-sponsored leadership training or retreats? They reason that all the new learning that takes place slips away when the employee gets back to office life. Soon, the undesirable behavior is being exhibited again. The trusty brain comes into play;

Goleman et al. launches into a fascinating discussion of the brain's limbic system and neocortex. Each part plays a different role in the learning process. To help out in this respect, Goleman et al. takes the reader into a trip of self discovery, helping the reader to close the gap between the reader's true self and who the reader wishes to become.

The last third of the book deals with building emotionally intelligent organizations. Basically, what occurs here is the themes that are applied to the individual are then applied to teams and the culture of the organization.

Personally, the most fascinating aspect of the book is how the leadership process is linked to the anatomy of the brain. In particular, *Primal* states that when we are around leaders and we see them make decisions, our brain (on a subconscious level) takes note of the decision made and the outcome of that decision. Later on, when we are in a position of leadership and

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Accounting

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referred to as the Section 906 Certification and applies to all public companies regardless of size. A signing officer who knowingly or willfully provides a false Section 906 can be subject to fines up to \$5 million or imprisonment for up to 20 years or both.

- CEO's and CFO's are required to provide a Section 302 Certification regarding the accuracy of the filed report, the design and sufficiency of the issuer's internal accounting controls, the disclosure to the audit committee of any material weaknesses in the internal controls, and any fraud that involves management or other employees who have significant roles in the preparing the financial statements.

- Protection is given for any "whistleblower" that provides information to, or assists in, and investigation of the securities law violations and fraud against retaliatory discharge, demotion, or changes in employment conditions.

- Any liabilities related to securities fraud are not dischargeable by bankruptcy.

- Enhanced enforcement powers to the SEC and the statute for limitations for federal securities fraud claims has been extended to up to five years. Criminal penalties for certain securities law violations have been made more severe.

- The audit committee must be comprised solely of "independent" directors where any director who is an officer, director, or general partner or a controlling stockholder will be disqualified.

- Audit committee members may not receive consulting fees from the issuer.

- The Act has identified nine categories of impermissible non-audit services including: financial information systems design and implementation, bookkeeping, legal and expert services, internal audit outsourcing services, appraisal/valuation services, fairness opinions, actuarial service, or HR and management services.

- The lead engagement partner for the external audit team and the lead external auditor review partner must be rotated every five years.

- The Act requires the SEC to adopt rules mandating that an annual report contain an internal control report, which must include a management assessment of the issuer's internal control structure and procedures, attested to by the external auditors, and additional disclosures regarding whether the issuer maintains a code of ethics of senior financial officers.

- The Act criminalizes the knowing alteration, destruction, mutilation, concealment, or falsification of any record intent to impede, obstruct, or influence any governmental investigation or other governmental function or any bankruptcy proceeding. The penalty is a fine and/or imprisonment for up to 20 years.

- The Act criminalizes the knowing and willful destruction of any audit or review work papers under the penalty of a fine and/or imprisonment for up to 10 years. A complete PDF file of the Sarbanes-Oxley Act can be found at www.pcaobus.org.

This Act is an attempt to restore our faith in the investing community, however it does not come without its cost. Since this Act applies to firms of all sizes, it places an extra burdensome auditing expense that could jeopardize their future. It requires a deep evaluation of each public firm's internal accounting controls and financial reporting processes. It also scrutinizes higher management's code of conduct, ethics, and the possibilities surrounding conflicts of interest. All of this totals into much higher auditing opinion costs for publicly traded companies. However, the benefits are now the top managers will be held personally accountable for such unethical behavior as well as the elimination of independence issues between the auditor and their client. In the end, much of this Act's assignments fall on to the SEC's rulemaking to implement the law's huge content designed to ensure the fairness of financial reporting and create a more honest investing arena.

Business

Review

Striving to be "DA" Man

José Lopez
Management

How's about a Rutgers patty, with a bowl of spicy cheeseburger soup on the side; or, a Rueben Studder, light on the sauerkraut, with extra cheese? Well, you can have them both, along with an array of other tempting menu items, all within a minutes walk from your next class. New this fall, Alberto Nieves, a Rutgers Camden alumnus, and his partner Chef Aaron McCargo, both natives of Camden, are serving up generous helpings of some of the tastiest table fare to grace the plates of area diners in some time.

"DA SPOT," (formerly the Campus Deli) located at the rear of the School of Business on Friends St., and "McCargo's Creative Cuisine" (former Lizzie's) on Cooper St. across from the courthouse, are two of the newest businesses that Alberto has launched since graduating from Rutgers-Camden in 1995. With a bachelor's degree in Computer Science, he began his career as a computer programmer for various firms in the area. In 2001, when he felt confident enough, both professionally and financially, he started and today now runs a successful software consulting business based out of Moorestown, NJ.

I've had the privilege of knowing Alberto for many years and it's clear that along the way to his success, Camden was going to be part of the recipe. Recently, he has relocated from the suburbs, back to the city to be closer to the businesses—a move that will help him manage and respond to the needs of the operations more quickly.

Curious to find out how a software consultant becomes the owner of not one, but two restaurants that serve those both working and living on and around our campus, we put together some questions of our own.

Q: Why did you buy and start the businesses?

A: We've purchased the business for several reasons, but primarily we seized an opportunity that presented itself, as we were actively seeking to initiate a cuisine-based operation in the Camden area.

Q: Why did you choose Chef Aaron as your partner?

A: Our primary charter is to establish a food operation that will ensure a consistent and high quality food product and service across both enterprises. What Aaron brings to the operation is years of experience and a reputation which serves as the foundation to carry out this charter...

plus, he's that good. This is the guy I wanted running my kitchen.

Q: What are some of the struggles in starting your own business?

A: Cash flow is always a problem in the initial stages of any business and we're no exception. Access to capital has been one of our largest struggles during the recent months. In our case, it's compounded because we're taking a self-financed approach to the business.

Q: Many people dream of starting their own business. What are some of the benefits of starting your own business?

A: I've been self-employed for a while now and there are as many benefits as there are negatives. But being your own boss and building your own success can provide a great personal satisfaction. If you do things right, you can make a lot of money.

Q: What can business students learn from your experience and do you have any advice for future entrepreneurs?

A: I did take some business classes. But what I found was not covered in great detail are the intricacies and complexities of dealing with so many different individuals including partners, employees, and your customers. Issues can range from inconvenient to serious business risks.

As far as advice, get ready for little sleep, have access to significant capital (and backup capital), and keep dreaming, because if you forget to dream while you're drowning in the overwhelming personal sacrifices that are entrepreneurship, then you may lose more than the dream.

As for the next few months, Alberto, along with the help of Chef Aaron McCargo and his staff, plan to tackle the challenges of solidifying and perfecting their food quality, polishing up on customer service and kitchen operations, and learning the needs and preferences of their customers. He is confident that they will come up with the right marketing mix to move the enterprise in the right direction and on to profitability. So, when you're crunching the books, why not crunch on some of "DA" crab cakes or a salad and see what all of "DA" hype is all about.

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suddenly we have to arrive at a decision, we will know what decision to make. The decision we make will come from our "gut" feeling about what we think is the right choice. Interestingly enough, this "gut" feeling is not just an intangible metaphor for making the right choice. It springs from the subconscious mind bringing to the fore the past experiences it has logged and directing us from there.

What I found to be disappointing about *Primal Leadership: Realizing the Power of Emotional Intelligence*, is that what should be done is spelled out. But, the "how" is left to the reader's imagination. Consequently, the readers who will benefit most from this book are those that are highly self-motivated and know how to accomplish change. Those readers looking for a "self-help" text will be left with a head full of knowledge that they will not act upon.

Another disappointing feature of *Primal* is the solutions offered for some serious problems seem trite and common place. For example, there is a whole section devoted to doing away with bad habits and replacing them with good habits. *Primal's* answer to breaking these ingrained bad habits? "It needs lots of practice and repetition" (103). Do I really need a team of doctors to tell me that bad habits can be broken by practice and repetition?

Then there is the matter of "stealth learning." Basically, stealth learning is defined as using naturally occurring situations at home or work as a training arena. I'm no doctor, but to me this sounds like "a-day-in-the-life-of" any human that functions in society. Do I really need to read a 300 page book so I can find out that I should use my life as a trial and error session? I just expected more and I did not get it.

Overall, reading *Primal Leadership: The Power of Emotional Intelligence* will give the reader a better understanding of how emotions and feelings come into play in the business realm. The reader will also be capable of doing an extensive self-evaluation on his or her leadership strengths and weaknesses. To fix any of these weaknesses or to capitalize on the strengths, the reader will want to use *Primal* as a starting point into the realm of this genre of leadership principles. For the reader who truly wants to act on what he or she has learned, it will be necessary to look elsewhere because *Primal* will leave him or her wondering, "What do I do now?"

Shopping Online: Is it for you?

Amanda Gottlieb
Marketing

It is 6p.m. on a Friday evening and you have to stop at the mall for a last minute birthday gift for a party you must attend at 7p.m. Once you locate what seems to be the perfect gift, you are then faced with the harsh reality that the store is out of size medium (the one you need). In an effort to quickly rectify the situation, you simply settle for and substitute another color. It is now 6:30p.m. As fate would have it, there are five other customers with large purchases waiting in line to checkout, but only one cashier. So after waiting an excruciating twenty minutes in line, you are now at the register. However, the one garment you are purchasing does not have a price tag on it. In conclusion, you show up a half hour late to your friend's birthday celebration. However, this entire situation could have been prevented had you simply ordered the item on the Internet.

When shopping in person, via catalogues, or telephone, the customer (end-user) must conduct his or her own research if he or she would like to

comparison shop based on price, feature, or product warranty. In addition to the time savings, usually you typically can find better cost savings when shopping online.

Benefits of online shopping:

First and most important, the number one benefit of shopping online is convenience. The convenience of online shopping assures consumers that they will never have to deal with a disgruntled salesperson, inclement weather, or crowds.

The next most crucial benefit of online shopping is availability. The Internet is available to consumers around the world, 24 hours a day, and seven days a week. In addition, online shopping offers products that may not be readily available at the local corner store. For example, if you live a significant distance from a metropolitan area, it may be difficult for you to keep up with the most recent fashion trends. But, with a virtual mall at your finger tips, you never have to be out of style.

Saving money always tends to be a popular topic. By shopping online, you can do just that. Many retail stores on the Internet offer special discounts to entice customers to buy online. Also, for those

that like to shop for sales and look for bargains, the Internet is ideal with auction websites, like Ebay. In fact, one of the best bargains is to find those stores offering free shipping.

Another advantage to shopping online is a greater product selection. It is virtually impossible for a small retail store to physically carry every product its company makes in a wide variety of sizes and colors. For example, when shopping in the Gap at your local mall, it may be difficult to find extremely small or large sizes. But online, you are almost guaranteed to get just the right size.

Shopping online is also environmentally friendly because you are not contributing to smog emissions from your automobile or wasting paper by shopping from a catalogue. Finally, the Internet is more informative than most sales people will be when it comes to product descriptions. An extra-added bonus is signing up for e-mail newsletters that are filled with news and special bargains.

Concerns of online shopping:

A skeptical first-time online shopper might wonder if the shipping costs

outweigh the benefits of purchasing online. Today, many online merchants offer free shipping or reduced shipping charges as a way of earning and retaining their business. Even if you do have to pay shipping charges, the final total balances out because merchants can usually undercut the prices of the same products offered by brick and mortar stores because they do not have the overhead that the traditional store has, such as overhead and extensive sales staff.

Another valid area for concern is delivery time. Consumers would like to have the convenience of ordering merchandise online in a hassle-free manner, but would also like to have the tangible product delivered to them as soon as possible. Nowadays, most online merchants try to ship your product either the day it's ordered or within a 24-hour window. Merchants like to believe that the overall savings you get from shopping online is worth a slight waiting period.

Furthermore, consumers tend to be apprehensive about purchasing products

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Financial Phishing, Don't Get Hooked

Stephen Wielgosz
Finance

While many investors are looking at their portfolios thinking of ways to maximize their potential, there are criminals also out there trying to figure out the next way they can get your personal information and ruin your life. There are nationwide scams going on right now, and you may be a victim and not even know it. The latest craze is the "Pump and Dump" scam.

"Pump and Dump"

The Pump and Dump scam is a cross-country scam that has an individual call a phone number, hoping they have reached the "right person." They claim they have an inside tip from someone they know and suggest to buy as many shares as you

can. The phone call claims the price is going to skyrocket, and to buy as many shares as you can before the stock gets too high. Demand for the stock then drives up the price, making it look like a legitimate story and the scammer will then dump their portion of the stock, making a profit. After the stocks are "dumped," the price then falls and unaware investors lose everything. Many times, the stock will fall to a few cents a share.

Scam promoters target small companies that trade for less than a dollar called "penny stocks." These types of companies are targeted because there is little or no information known about them. With investors not knowing any information, it is easier to manipulate an individual into believing the story. Investors only see the money-making side

of this scam and don't read between the lines.

Pump and Dump is nothing new in the investment world. In past instances, information came in the form of phone calls, emails, chat rooms, and message boards—all claiming the same thing. This current form deals directly with mistaken phone calls that leave detailed information. If it sounds too good to be true, it probably is.

"Phishing"

Phishing scams use lures such as updating personal, credit, or financial information. The scammers try to "Phish" out personal information and use it against you. If they do get ahold of your personal information, they use it against you and run up bills under your name. Remember, legitimate companies do not ask you to

update personal information via email. If you are concerned that personal information needs to be validated, contact the organization to provide you with secure information and telephone numbers in case of any problems.

Bottom line, companies will not be asking for information they already have in this manner. The scam preys on fear where they indicate your account will be closed or you will get bad credit if you do not respond.

"Tips and Advice"

It is NOT a good idea to buy stock on the basis of a "hot tip," especially from a stranger or someone you do not know. If you get a suspicious email or phone call, do not respond to it.

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Consumer

7

Broke...or not?

Rachel Hughes
Accounting

Being a college student can put a dent into your pocket. College expenses add up. Student loans can help you pay for your education. There are many loans for college students. The most familiar are the Stafford and Parent Plus loans. Both types are designed to keep your expenses for college affordable. Though the Stafford and Parent Plus loans are geared to college students, there are many other loans out there.

The Stafford loan is a federal loan. A federal loan is guaranteed or insured by the federal government. This type of loan is a low interest education loan designed for undergraduate and graduate students. The Stafford loan is made available by two ways: through the Federal Family Education Loan Program or Federal Direct Student Loan Program. The Federal Family Education Loan Program provides its funds by private lenders, such as banks, credit unions, or saving and loan associations. The Federal Direct Student Loan Program gets its funds through the U.S. government.

There are two types of Stafford loans: subsidized or unsubsidized. A

subsidized Stafford loan is when the government pays the interest while the student is in school, in deferment, and during the grace period before repayment begins. This type of loan is awarded on the basis of financial need. In an unsubsidized Stafford loan, the student is responsible for all interest that accrues while in school, in deferment, and during their grace period before repayment begins. This loan is available to all students regardless of their income.

Eligibility for both loans is: to be enrolled at least part-time at a school, to maintain satisfactory academic progress, and be an U.S. citizen or permanent resident. The borrowing limit depends on the student being financially dependent or independent and also on the student's year in-school. The repayment period is up to ten years for both subsidized and unsubsidized loans. The interest rate is variable and adjusted every July 1.

The Parent Plus loan is for the parents of dependent students. This loan can be taken out to supplement their children's financial aid packages. The Parent Plus loan is also a federal loan and has a low interest rate. The parent must

pass a credit check to be eligible for this loan. The borrowing amount depends on the cost of attendance, minus any other financial aid the child receives. The interest rate for this loan is also variable and adjusted every July 1.

Although the Stafford and Parent Plus loans give maximum help to pay for school, sometimes it is not enough. The Alternative, also known as Private Education Loans, can offer students extra help with their college expenses. This loan

helps bridge the gap between the actual cost of education and the limited amount the government allows the student to borrow in its programs. Many private lenders offer this type of loan. To be eligible for this loan, the student must be at least a part-time student. The approval of this loan is based on the credit history of the student. The total cost of your education, less any other financial aid or loans you receive, is the borrowing amount.

Shopping

(Continued from page 6)

without touching or feeling the fabric/texture of a material. Although you cannot "touch and feel" the product before you buy it, you will typically find a detailed description of each product on the retailer's website. Most common these days, you will find photographs of the products, product reviews, and end-user feedback--which all help in a new buyer's decision.

Finally, the frequently discussed topic in relation to online shopping is credit card security/safety. Shopping on secure sites is one of the safest ways to use your credit card. The most important detail to remember when considering security is making sure the ordering and checkout pages display the security icon at the bottom of your browser's window. This icon means that you are on a page that is encrypted, so that information cannot be easily tampered with or stolen.

In actuality, entering your credit card information into a secure website is safer than handing over your credit card to a server at a local restaurant and watching him or her walk away with it. By letting your credit card walk away from your sight, you always run the risk of someone stealing that information. Even something as innocent as purchasing products over the phone from a catalogue can be unsafe because the customer service representative can easily record your credit card number.

How do you shop online safely?

Be sure to always use a secure browser when entering personal information onto the Internet. It is wise to shop with companies that you know. Also, it is best to familiarize yourself with the company's

refund and return policies before you place your order. Another way to protect yourself and shop online safely is to keep your password(s) private. Be creative when deriving a password; you do not want to use information such as telephone number, date of birth, or social security number. Most importantly, never give your password to anyone.

It is advised to pay for online purchases with a credit card or charge card because the Fair Credit Billing Act will protect your transaction. Generally, in cases where your credit card was processed without authorization, you would be held liable only for the first \$50 in charges.

Stay aware and be alert for any unauthorized transactions that you see on your credit card statements. To help prevent this, keep a record by printing out a copy of your purchase order and confirmation number. Last, if you are still not sure about a particular company, use the Better Business Bureau to determine if this is a reliable company and if they have had many customer dissatisfaction problems.

Privacy on the Internet:

It is important that personal information is not disclosed, unless you know who is collecting the information. Another word of advice would be to look online for privacy policies. Many companies post their privacy policies on their websites. Frequently, online companies are giving customers a choice on their website as to whether and how your personal information is used. The option to decline is known as "opt-out" of having personal information used for marketing purposes or shared with other companies.

Phishing

(Continued from page 6)

Do NOT email personal or financial information. Email is not a secure method of transmitting personal information. If you need to complete a transaction that was made online, make sure it is the correct website you were on and look for indicators that tell you the site is secure, such as a lock icon on the browser's status bar.

Unfortunately, no indicator is foolproof; some "Phishers" have even forged security icons. Therefore, you should review credit card and bank statements as soon as they come in, to look for any mistakes or unauthorized transactions.

Make sure your anti-virus software is kept up-to-date. Some of these scams can contain software that could potentially harm your computer, as well as ruin your finances. An anti-virus and a firewall can

protect you from accepting such unwanted files. A firewall helps make you invisible on the Internet and blocks all communication from unauthorized sources. Also, keeping your computer updated with the latest information and downloading patches will help close holes hackers are trying to use and in turn keep you safe. Be cautious about opening or downloading any files or emails you receive, regardless of who sent them.

Finally, report any problems you may have or suspicious activity to the Federal Trade Commission (FTC). There are also websites out there that can help you report a problem and try to get it resolved. Even after investors fall for these scams, new scams will always be popping up. Everyone needs to be aware of the situation and not be "Phished" out.

Consumer Comparison: Election Time

Tiffany Ferrera
Marketing

The only thing to come once every four years and create more of a stir than the Olympics is the Presidential election, and it's here again. And as I am sure you all can tell from the amount of propaganda and mud-slinging, this one's personal.

Surely Kerry and Bush have extremely different views on important governmental topics, but whose (if anyone's) views are right? It is often hard to extract the truth from some of these campaign ads, so I set out to learn the facts about each party's beliefs.

Among the things I learned was the fact that I, personally, was misinformed about a lot of important information. So in order to clear up any fogginess for anyone else out there, I am laying out a table of all the major issues and each party's views on them.

In an attempt to eliminate bias, this chart will hopefully help you all to make what you think to be the best decision.

Topic	Democrat	Republican
Defense	Cut spending for defense. Believe in talking and good intentions.	Believe in having a powerful defense.
Economy	"Government shall provide" view point.	"Individual shall prosper" view point.
Family	Support same sex couples.	Much less supportive of same sex marriages. See family as a foundation and example of democracy.
Environment	Recognize the importance of a safe and clean environment. Believe in imposing stricter regulations on businesses.	Also recognize the importance of a safe and clean environment, but believe that the environmental concerns must be balanced economic growth.
Energy	Emphasize conservation. Aim to reduce dependency on foreign oil.	Emphasize free market and exploration of new energy sources.
Regulation	Have policies that hamper large business growth in order to preserve the middle and lower classes.	Strive to cut excessive regulation and decentralize the federal government as to return more power to the states. Also aim to make small businesses exempt from regulation whenever possible.
Older Americans	Often places the Social Security problem low on the to-do list. But recognize the problems.	Also recognize the problems with Social Security, and place more importance on them.
Education	Take a more conservative approach to educational improvement.	Take a more liberal view, allowing low income parents to have more options for their children.

Student Finance Association

The SBC's organization for finance and entertainment is readily excited for a new semester. After last semesters successful trip to the New York Stock Exchange, this semester the officers are organizing a trip to the Federal Reserve Bank in Philadelphia. Hoping to cap off on an educational experience while incorporating an exciting afternoon of fun, SFA will soon be advertising more details regarding the trip.

With the new leadership in SFA, this year should motivate more students to take part in one of the best organizations in

the School of Business here in Camden. We are working on getting speakers from Smith Barney and Wachovia. Come and see what we have to offer!

Isaac Lamarche, President
Brian Baskin, Vice-President
Gia Brophy, Treasurer
Tuesday Sealtiel, Secretary

For more information, contact Isaac Lamarche at daury@camden.rutgers.edu.

Attention Juniors!

"The Office of Admissions is looking for students to conduct campus tours for prospective families. It is an opportunity to share the great experiences you have had here at Rutgers-Camden with high school and transfer students. If you are interested please email Meghan Moore at moore@ugadm.rutgers.edu."

ALL ABOARD: Intern Sets Sail

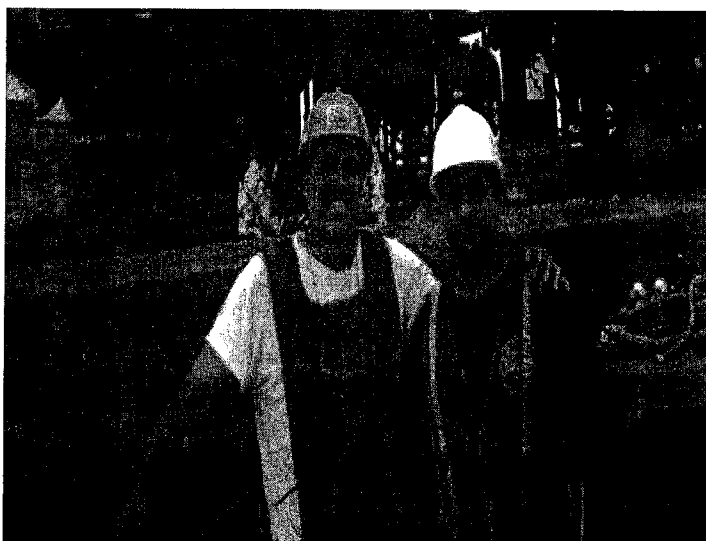
Rob Taylor Jr.
Management

When you think of being a manager of a corporation, you mainly think of a typical "Corporate America," white-collar job. However, there is a vast spectrum of management jobs that are very interesting to hear and learn about. Under the direction of Mr. Joe Haro, Rutgers SBC has an intern program, in which many people enlist every semester.

This past summer semester, Tony Lopez, a.k.a. Captain Tony, spoke with Mr. Haro about a special internship that he wanted to take on. This internship dealt with providing safety and work boat services to private and municipal authorities.

Lopez is a boat captain for the company for which he works, Main Stream Water Safety Services, and he wanted to get the management angle of what he does for a living. The main duty of his company is to closely participate in marine rescue efforts along the Delaware River, if needed, and to coordinate safe passage of boating and shipping traffic in the area of construction sites. His company works with government agencies, the United States Coast Guard, and other marine law enforcement agencies.

What makes this internship unique is that you see work boats riding around the river all the time, but who takes the time to think about what actually goes on from a



Senior José Lopez aka "Captain Tony" and the owner of Main Stream Water Safety Services Jack Casey

management aspect. Lopez's internship consisted of understanding and applying the values of his company—but from a manager's standpoint.

Therefore, he had the opportunity to participate in processes related to hiring and processing of employees, training payroll, directing and dispatching crews to specific job locations, and controlling and allocating financial resources.

In addition, Lopez's assignments for the internship class consisted of a series of management case problems that also required some input and interaction from his employer. Lopez proclaims that "this experience has given me a way to look at an organization from a different angle—that of a decision maker, a leader, an administrator, and a liaison between my crews and our contractors."

Lopez expressed that the experience he has gleaned as a management major has helped him tremendously in the process of taking on management roles in this internship. He continued that he "can see now, better than ever before, that he has what it takes to become a great manager." Also, he feels that the knowledge that he gets from school, as far as management theory, will take him far in the field he undertakes in the future.

Lopez acknowledged that "when I became a boat captain, I really had no idea what it took to be in command of a vessel, let alone a small fleet of work boats. The idea of being head honcho of a crew has its appeal, but it's hard work and takes a lot of coordination and people skills. And, those are the things that closely parallel to what I am learning here at the School of Business."

In conclusion, "this internship opened my eyes to the numerous possibilities that await me after graduating as a management student." It can be learned from this internship that by using the tools that you learn in school, applying hard work and dedication to your job, and sprucing up on your people and communication skills, you have the flexibility to obtain any management job you desire.

From that base, a formula for success can be had as a management major; and, through internships, we, as students, can learn what it takes to obtain those skills and tools that are needed to succeed.

Upcoming events:

Dining Etiquette

Thursday, November 11th, 2004
4:30-6:00 pm

\$10 registration fee (refunded at event)
Register at the Career Center Office

"How to Succeed in Business" panel

Wednesday, November 10, 2004
12:15 p.m. (Free Period)

Multi-Purpose Room, Campus Center
FREE LUNCH WILL BE SERVED!

Budget

(Continued from page 1)

President Richard McCormick is quoted as saying "A special thank you is due to all of you who wrote or phoned legislators, met with officials in Trenton, participated in this year's highly successful Rutgers Day in Trenton, and in other ways worked to make the case for the university. Your efforts helped legislative leaders more fully appreciate the reasons why Rutgers

must receive strong and consistent state funding." President McCormick encourages everyone "to continue our efforts to secure more state funding in the years ahead."

If you have not dropped a line or made a phone call to your local legislator, it is not too late to do so. The more money the state provides, the less that may have to come out of your budget.

Questions? Contact Samantha Collier at scollier@camden.rutgers.edu.

Meet New MBA Program Director: Professor Barbara Bickart

Tuesday Seattiel
Finance

On July 1st, 2004, Dr. Barbara Bickart was appointed MBA Program Director here at Rutgers-School of Business in Camden. Last year was Dr. Bickart's tenth year as a marketing professor, where she has taught marketing research—at the undergraduate and graduate levels—and marketing management—at the graduate level.

Currently, the Rutgers MBA program has over 320 registered students. Dr. Bickart's responsibilities as director focus on overseeing the admissions process and academic affairs for these students. Such responsibilities include reviewing applications, determining course waivers, facilitating student entry, attending to student issues, making administrative decisions, and organizing business luncheons/networking opportunities for MBA students.

"One of my goals as director is to increase enrollment of the offsite programs that we offer," said Bickart. Rutgers has three offsite MBA programs. One is offered

in Mt. Laurel for employees at Cendant Mortgage/Lockheed Martin. A second is offered in Voorhees for Virtua Health Care workers, and a third is offered in Atlantic City. These

programs allow students to attend classes at locations convenient to their place of employment. "There are high quality people at Cendant, Lockheed, Virtua, and the Atlantic City area and we want to reach out to more of them," continued Bickart.

In addition, Bickart wishes "to increase the quality of students," in general. The average GMAT is 560; and, Rutgers does not accept

anyone with a score below 500. One way of increasing competitiveness is updating the curriculum. Bickart plans on working with a committee to suggest, revise, and implement an updated curriculum, which was last done in 1995.

A unique and enticing characteristic of Rutgers-Camden, which Bickart hopes to increase the awareness of, is the dual degree program with the Rutgers-Camden Law School. An increasing number of students are taking advantage of the JD/MBA program. This

four-year program allows students to earn both a law and an MBA degree at the same

time, by sharing 12 credits between the School of Business and the School of Law.

For those considering advancing their education by obtaining an MBA degree, Dr. Bickart has the following advice: "There tends to be a rush to finish undergraduate as soon as possible and just barely pass the courses. Remember, GPA is important in the application process for graduate school. Do not overload in taking courses. Be sure you learn the material." She also emphasized taking a break after finishing at the undergraduate level "to figure out what you want to do and obtain some work experience."

To learn more about the MBA program, dual degree programs, and other advantages of the SBC, visit the website at <http://camden-sbc.rutgers.edu/ProspectiveStudent/grad/>.

Important Dates:

Nov. 10:

MBA Open House
4:30-6:30p.m.
Campus Center

Dec. 1:

Application deadline for spring.



Involved

(Continued from page 1)

questioned said that they rely entirely on the website to provide them with information about upcoming events. So, organizations should take that as a hint to keep their websites updated all of the time. Just remember to keep your eyes open around campus and check the sources that I have listed above. If you do that, you should have no problem being aware of things going on at the SBC.

In addition to the organizations at the SBC, there are some things that may appear not as easy to get involved in. Some people think that the only way to get involved in something like the SBC newspaper- *Minding Your Business*- is to know someone that is involved in it. That is not true. The paper is always looking for new people to get involved in some way. If you are interested in getting involved, all you have to do is pick up a copy of the paper and contact the editors on the email address listed in the staff box.

If you see anything around campus that you want to be associated with, chances are that the person who is in charge has been looking for people to get involved. Normally, unless people are really ambitious about getting involved, it is hard to find people who want to do anything. If you are someone who wants to get involved, but are too timid to make the right contacts, it is as simple as not being afraid to pave a path for yourself. You just have to think- what is the worst thing that the person you are contacting could possibly say?

As far as confidence goes, sometimes new students or pre-business majors are hesitant in attending group meetings that they see advertised because (1) they do not know if they are welcome to attend, (2) they do not want to have to deal with an uncomfortable situation that might arise at the event, and (3) they are new to the SBC and do not know their way around the business school building yet.

If you are a new student, usually, you do not need to worry about whether you are welcome to attend or not. Almost

all of the organizations that I mentioned in this article welcome everyone- any major, any year- to their meetings. Believe me, they are happy to have as many guests as possible.

However, there are some events at the SBC that require you to be a business or pre-business major. For example, things like the SBC Barbeque, and the Business Students Luncheon, require you to be at least a pre-business major. That is no problem. All you have to do is go to the registrar, give them your social security number and tell them that you want to declare your major as pre-business, and you will be all set to attend the exclusive SBC organization meetings.

You can avoid awkward situations at the organization meetings by bringing a friend. Organization executive board members encourage their guests and members to bring guests to become potential members. You, in turn, have someone to keep by your side and help you avoid discomfort in an environment unknown to you. Being new and not

knowing your way around the school is not a problem either. Before the meeting takes place, you should take a trip to the SBC and figure out how the building works. The 100 rooms are on floor 1; the 200 rooms are on floor 2, and so on. You are more than welcome to explore the building and ask for help if you need it. It might even be beneficial to introduce yourself to business majors you may find lurking around. Chances are that they are involved in something.

The key is to not be afraid, to take a chance to put yourself in the loop because he (or she) who never took a chance never had a chance.

The point is, in order to go far, you must make yourself known early. There is nothing saying that you have to be something special in the group. But, just in case you do, this is the advice I can give you as a pre-business student who is involved. If you are having any doubts, use this article as a guide, and remember that you are only what you make of yourself.

Calling All Accounting and Finance Majors!

Beta Alpha Psi, founded in 1919, is an international honorary organization for financial information students and professionals. The primary objective of Beta Alpha Psi is to encourage and give recognition to scholastic and professional excellence in the business information field. This includes promoting the study and practice of accounting, finance, and information systems; providing opportunities for self-development, service and association among members of practicing professionals; and encouraging a sense of ethical, social, and public responsibility.

Last year, the Rutgers School of Business-Camden chapter, Kappa Gamma, hit two milestones. Our chapter proudly reached Distinguished Status thanks to outstanding participation by our members. We also took first place nationally for the highest amount of Earned Income Tax Credit generated per member/pledge during the Volunteer Income Tax Assistance (VITA) Program. Members and pledges volunteered their time during tax returns to complete personal income tax returns free of charge for residents of Camden. This program serves as both a

tremendous help to the city, and as a fantastic resume builder for those involved in the preparation of the tax returns.

So what are you waiting for? Get involved in this rewarding honors organization today!

Upcoming Meetings:

- Thursday October 28, free period (location TBA)

Guest Speaker: Mr. Ian Harvey, Philadelphia Federal Reserve

- Tuesday November 2, free period (location TBA)

Guest Speaker: Ms. Laura Riley, Kaplan CPA Review

Officers:

Allison Venuto, President

Lauren Fasbinder, Vice President, Extended Professions

Chad Jenofsky, Reporting Secretary

Melissa Tomassetti, Treasurer

For more information, contact Allison Venuto at avenuto@camden.rutgers.edu

New: Student Management Organization!

Welcome back students to another year at Rutgers University. This year will be a little different due to the addition of a new student organization, Rutgers Management Association (R.M.A.). R.M.A. is not your typical association. R.M.A. is dedicated to giving its members full insight on real life management teams and introducing the skills needed to survive in the business world, through interesting guest speakers to which students can relate.

Our guest speakers are encouraged to speak about their achievements and the ins and outs to their success. R.M.A. will help you have a better understanding of the realities you will come to face. We will

also be holding fundraisers and events that are more in tune with the interests of our members and student body. In addition, you will meet other fellow students with similar interests.

We welcome any suggestion you may have for making R.M.A. a little more personal and a great success. So grab a friend, come out, and experience R.M.A. The President, PJ Alpas; Vice President, Emily Salamone; Treasurer, Lauren Fasbinder; Secretary, Rozalina Basin; and Public Relations Director, Sara Moore; will be there to greet you.

For more information, contact P.J. at spinmove@camden.rutgers.edu

INTERNSHIP PROGRAM: SPRING APPLICATIONS

Students interested in applying for an internship position for the spring semester should file an application with internship coordinator Mr. Joe Haro, as soon as possible.

His office hours are posted on his door in the Business and Science Building, Room 206. Mr. Haro reminds students that to be eligible for an internship, they must have a 3.00 average and be School of Business students.

The internship is a three-credit course that counts as an elective in the student's major (accounting, finance, management, and marketing).

If accepted as an intern in the program, students must work at least 120 hours during the semester, hand in specific assignments, be prepared for an on-site visit

by Mr. Haro, and be evaluated by their employer.

What are some of the advantages of having participated in the internship program?

- real world experience in your major
- the building of your resume
- references
- possible future employment with the organization
- helps you to make a decision as to whether your future is really in this field

Applications can only be made in person by meeting with Mr. Haro for an interview.



Ever wonder why there's nothing to do on campus? Well, there is! Be heard! The School of Business Congress is your voice on campus. We are a funding body for the student organizations as well as for social events you want. This semester we are considering a trip to Six Flags for "Fright Fest." WE WANT TO HEAR FROM YOU!!! LET US KNOW WHAT'S ON YOUR MIND!

President	Chris Filippone
Vice-Pres	Chris Fetfazes
Secretary	Erica Trusty
Treasurer	Lauren Fasbinder
Senators	Cathy Vognaraj
	Allison Venuto

For more info, contact:

Chris Filippone christof@camden.rutgers.edu
Lauren Fasbinder laurenfa@camden.rutgers.edu