MANY VOICES AT THE TABLE
WOMEN AND LEADERSHIP

Jim Turley and Karen Nelson join forces at Jones Partners
Thought Leadership Series
A “parliament” is the literary collective noun for a group of owls. Similarly, the name of our newsletter reflects the collective spirit and wisdom of Rice Owls personified by the alumni, faculty and friends of the Jones Graduate School of Business accounting group.

When Ben Renberg, assistant dean of external relations, arrived at the Jones School in 2010, he was met by excited and enthusiastic alumni. One of those groups was Master of Accounting (MAcc) alumni. The dedication and commitment to Rice by these alumni years after the sunset on the program was amazing. At that same time, Dean Glick and the accounting faculty were studying a possible relaunch of the program. After reviewing the landscape of the accounting field with alumni, public accounting firms and corporate partners, a unique opportunity for Rice was identified. The conversation around the MAcc reached beyond accounting skills into developing corporate leaders. With close inspection of the demand for and ultimate success of the graduates from the MAcc program, the solution was clear — all signs pointed to a Rice relaunch.

First offered when the newly minted Jones School absorbed Rice’s existing department of accounting in 1975, the MAcc awarded nearly 300 degrees until the spring of 1997. The program was known for its student diversity, blend of academic and practitioner faculty, and small class size. With a thoughtful look at the program’s past and an eye to the future, the formal process for the relaunch commenced.

The great news is the Jones School has successfully begun other programs over the past five years, including a Ph.D. program, an undergraduate business minor, and an MBA for Professionals program. In the months ahead, look for more information on the progress of the MAcc relaunch. Alumni involvement is key. In consideration of what makes a relaunch successful, the Jones School faculty, alumni and the corporate community are all needed to make this happen.

With a vision to develop ethical, competent leaders, the Rice MAcc has the potential to fundamentally impact the global accounting profession. The opportunity to create this impact will not only attract top students, top faculty and top employers, it will endeavor to make our MAcc alumni proud.
Greetings from the Accounting Area Coordinator

This fall brought an extraordinary level of engagement between the Jones School accounting group, our alumni, and the accounting profession. Two distinguished Rice alumni returned to campus in events that also featured members of our accounting faculty. In September, Jim Turley (B.A. ’77, MAcc ’78), chairman and CEO of Ernst & Young, shared his insights on leadership in a diverse global workplace in the Jones Partners Thought Leadership lecture series. One month later, the Public Company Accounting Oversight Board held its third public meeting on auditor independence and audit firm rotation in McNair Hall’s Shell Auditorium with Jim Doty (B.A. ’62) presiding as chairman.

These events served as a fitting reminder of the central role that Rice and the Jones School has historically played in developing principled global thought leaders for the accounting profession. For this reason, I am thrilled to announce that the Jones School will be relaunching its prestigious Master of Accounting program with the first class targeted to enroll in fall 2016.

"I am thrilled to announce that the Jones School will be relaunching its prestigious Master of Accounting program..."

While the relaunch may seem like a long way off, there is much to do in the interim, from recruiting a highly qualified program director, marketing to students at Rice and beyond, hiring additional faculty, and finalizing the program design. We are fortunate to have many talented and energetic people across the Jones School who will be actively involved in this process over the coming months.

The accounting group is deeply grateful for the continued advice and support of our many alumni and friends, and we look forward to adding to this group in the near future when the MAcc program resumes.

Warm regards,

Karen K. Nelson

Karen K. Nelson
Harmon Whittington Professor of Accounting and Accounting Area Coordinator
Jesse H. Jones Graduate School of Business
Rice University
Welcome Back MAcc

The Jones Graduate School of Business is thrilled to announce the relaunch of the Master of Accounting (MAcc) program slated for the fall of 2016. Having offered the MAcc from 1975-1997 and with alumni from that program in positions that influence the entire profession, the Jones School is offering an elite, graduate level accounting degree program designed to build future leaders in the accounting profession.

The school recognizes the increased importance of accounting as it pertains to the overall face of business. In a time when corporate accountability, transparency and reporting are increasing in priority, there is demand for highly-trained accounting professionals with critical thinking skills, integrity, and global leadership experience now more than ever.

There are few schools in the nation with accounting faculty as revered and respected as those currently in the accounting area at the Jones Graduate School of Business. For the second consecutive year, the Jones School has ranked 9th globally for accountancy in the Financial Times. The opportunity to focus the research talent and reputational momentum into an accountancy-focused graduate degree program will allow for the next generation of ethical, competent leaders to emerge in the global accounting profession.

The Master of Accounting degree at Rice University will be unique in its creative approach, blending concepts together so the content of courses and how and by whom they are taught fundamentally impacts the program and the profession. Through a compelling curriculum of historical, practical and theoretical components in auditing, accounting and all aspects of financial reporting as well as high level instruction in writing and communication, students will gain a unique perspective, just as has been done historically by Rice and the Jones Graduate School of Business through all masters’ degree offerings.

Rice University’s Centennial Celebration

PRESIDENT DAVID LEEBRON began his centennial address October 12 from a stage that was a replica of the one on which founding president Edgar Odell Lovett spoke. Leebron welcomed the first students and faculty the same way Lovett did in the fall of 1912, to an audience that included delegates of more than 100 universities from around the world.

During the Centennial celebration, approximately 40,000 alumni, family and friends from around the world descended on Rice’s campus to celebrate the university’s remarkable 100-year milestone. More than 28,000 spectators watched the Owls dominate the USTA Roadrunners in the centennial and homecoming football game. Thousands more were thrilled by the light-and-sound Spectacle in the academic quadrangle and by the Shepherd School’s world premiere of American composer William Bolcom’s “Ninth Symphony.” Alumni set new records in class giving and homecoming attendance, and the centennial lecturers were as visionary and provocative as billed. And that was just a slice of the action.

In concluding his address, Leebron said, “As we enter our second century and face the opportunities ahead, we must be bold; we must be entrepreneurial; we must be collaborative; we must be fast and slow; we must be international yet distinctively American; we must be the great research university that preserved its dedication to its students; we must be Rice.”

Alumni News

“After nearly 30 years with Deloitte, I ‘retired’ (because with my age and tenure, that’s what they call it when you leave!) to open my own (small) firm, Parker Bond Consulting L.L.C. Doing the same thing I’ve done for 25 years, but now with only one boss: the client!”

— Andy Parker, B.A. ’81, MAcc ’82
Faculty Updates

BRIAN AKINS taught the financial accounting core course in the MBA for Professionals program. On the research front, he has started a new project related to competition in the banking sector and a second examining how firms’ debt structures affect yield spreads in the public bond market.

STEVE CRAWFORD is currently working on two new papers that examine buy-side analysts and their use of technology to facilitate idea sharing.

THOMAS HEMMER presented his paper “Optimal Relative Performance Evaluation” at the Stanford University Summer Accounting Research Camp. He gave an invited plenary talk entitled “Optimal Managerial Performance Evaluation: Failed Predictions and Resulting Opportunities” at the APMAA Conference held at Xiamen University, China. His paper “On the Stewardship and Valuation Implications of Accrual Accounting Systems” was accepted for publication in the Journal of Accounting Research.

KAREN NELSON presented her latest research paper “On the Persistence and Pricing of Industry-Wide and Firm-Specific Earnings, Cash Flows, and Accruals” in seminars at the University of Arkansas, University of Colorado, and University of North Carolina. Her paper “The Relation Between Auditors’ Fees for Nonaudit Services and Earnings Management” was recognized as one of the 50 most influential accounting research papers published in the past 15 years based on an analysis of citations in nine leading accounting journals.

K. RAMESH completed his term as president of the Financial Accounting and Reporting Section of the American Accounting Association by organizing the section’s annual research conference which will be held in San Diego in January. Ramesh also participated in the FASB/IASB Financial Reporting Issues Conference in December. The conference provides a forum for academics, standard setters, regulators, auditors and practitioners to debate emerging accounting issues.

BRIAN ROUNTREE taught a Ph.D. seminar in empirical research methods for the first time this fall. Brian notes that teaching Ph.D. students was a tremendous experience that provided an exciting addition to the research culture at the Jones School. Brian is also preparing to visit the Australian School of Business at the University of New South Wales in Sydney, Australia for his sabbatical during the spring semester.

SHIVA SIVARAMAKRISHNAN’S paper "Product Costs as Decision Aids: An Analysis of Alternative Approaches” was selected as the winner of the 2012 Impact on Management Accounting Practice Award. Another of his papers, “The Impact of SFAS 133 on Income Smoothing by Banks through Loan Loss Provisions,” has been accepted for publication in The Accounting Review. Shiva has also been appointed to the Senior Editorship position in the new “Interface between POM and Accounting” subsection of the Production and Operations Management Journal. The second edition of his textbook “Managerial Accounting” was published by John Wiley this fall.

SALLY WIDENER had her paper “Management Accounting and Control Practices in a Lean Manufacturing Environment” accepted for publication in Accounting, Organizations and Society. In September and October, she presented her research on management control systems and organizational learning at ESSEC (France) and at the Behavioral Research in Accounting Conference in Atlanta, Georgia.

PUBLIC MEETING ADDRESSES AUDIT FIRM ROTATION

In October, the Jones School accounting group emerged in the thick of transformative business thought when the Public Company Accounting Oversight Board (PCAOB) hosted its third public meeting on auditor independence and audit firm rotation at Rice University. With Karen Nelson, the Harmon Whittington Professor of Accounting and accounting area coordinator, and Stephen Zeff, the Herbert S. Autrey Professor of Accounting, both called to testify on ways to enhance auditor independence, objectivity and promote professional skepticism, the Shell Auditorium in McNair Hall proved the perfect venue to cultivate a public discussion.

The first two meetings in Washington, D.C. and San Francisco captured audiences on each coast. The third forum, at an academic setting in Houston, entertained not only interested parties in the Southwest but also “expanded upon and further explored themes raised at both the previous public meetings,” according to PCAOB Chairman James R. Doty, a Rice University undergraduate from the class of 1962. “The complex issues of audit independence merit serious academic attention and Rice has the serious scholars to enhance that discussion. The Jones School is a superb venue for such a discussion, as it assumes international dimensions. Contributors from the Houston business community added significantly to that discussion.”

“**The complex issues of audit independence merit serious academic attention and Rice has the serious scholars to enhance that discussion.**”

WEIGHING IN

Appearing from Amsterdam via Skype, Professor Zeff opened the testimony by criticizing the lack of professional skepticism of many auditors. “Another indicator of the decline of professionalism in the United States in accounting is the virtual absence of intellectual leadership shown by partners in the major audit firms or by other important figures in the profession. There was a time, prior to the 1980s, when partners in the major firms gave speeches and wrote articles and even books on controversial areas in accounting principles,” he noted. “They seemed to be genuinely concerned that sound accounting should prevail over unsound accounting. …These days, when partners of audit firms are invited by accounting academics to address controversial issues on panels at academic meetings, they utter little more than platitudes. One wonders whether practitioners who decline to enter into the spirit of debate and discussion on controversial issues in financial reporting will also be inclined to give vent to professional skepticism in audit engagements over such matters as management’s assumptions and the application of accounting standards.”

Professor Nelson presented her view that if the PCAOB does not require mandatory rotation of audit firms, the next best thing would be mandatory retendering, in which audit committees look for alternative auditing firms periodically, or mandatory rotation when PCAOB inspections identify significant audit failures. But she added that this would be “nibbling around the edges rather than tackling the problem head on.”

A MEANINGFUL EXCHANGE

The day-long event brought academics, students, local practitioners and PCAOB board members together to hear views on the board’s proposal to mandate audit firm rotation. The lively discussion provided valuable insights on the topic from a broad range of industry, academic and government sector experts. The Jones School accounting group was happy to host this important and timely debate.

Testimony summaries from Professors Nelson and Zeff appear courtesy of accountingtoday.com.
In the years 1958-62, Rice University’s undergraduate humanities excelled across the board: history, philosophy, English lit, French and German language and lit — you name it and Rice could show real strength in teaching and research. For a callow kid from Houston Heights, wearing my mom’s homemade shirts, Rice opened the world beyond once and for all, the garden-door opportunity for which one remains a lifelong debtor.

This period is now viewed as a halcyon between turbulent eras. It was an era of social and intellectual change: the era of C.P. Snow’s “Two Cultures” dialogue. It should surprise no one that out of those years the sons and daughters of Rice went on to include distinguished historians, journalists, men and women of letters — and, of course, noted scientists and founders of new enterprises. Alas, some of us went on to be dreary corporate lawyers. How, you ask, did that happen?

This one left Rice for Oxford, England, intending to become a real historian. When our ship left New York for Southampton, a former Mississippi governor was leading a mob assault on the university in Oxford, Mississippi, over the admission of James Meredith, its first African American, and things were heating up in a place called Vietnam. In England, the Cuban Missile Crisis and the assassination of John Kennedy, the Civil Rights movement and growing involvement in Vietnam, all had to be explained to new contemporaries, and to College Dons. Modern History at Oxford began in post-Roman Britain and ran through the present. History just got much bigger and more immediate.

I was fortunate to be taken up by John M. Roberts as a project. The 18th century is critical to understand our time and the Victorians are (or were) our intellectual forefathers. I gave it my best to convince myself I had the right stuff to be a real historian. With the Victorians, however, lawyers emerge as effective people. Economic history was hot; but this one had no grounding in economics or body of knowledge that could be thought practical. The chance to study law at Yale opened, and it felt right: isn’t that how we made decisions in our 20s?

Looking back on an intervening half century, my good luck in being at the PCAOB lies predominantly with role models: law firm partners who undertook public service assignments, chance meetings that ripened into lasting friendships. And there is the lesson of history that we can all make a difference, and the obligation to the Rhodes experience and Rice to be honored: isn’t that how life works?

I met Mary Schapiro at the SEC when Richard Breeden had become the youngest chairman since William O. Douglas and had brought me there as general counsel — another steep learning curve. Mary and I worked together on projects, she went on to chair the CFTC and FINRA, then to the SEC. I’d been interested in the Public Company Accounting Oversight Board from its inception. We had successfully defended the challenge to its constitutionality. The critical role of the auditing profession had been learned over a career of observing. (Bill Mackey [former accounting professor] would shake his head at the notion I would have any responsibility for setting audit standards.) When the PCAOB chair opened, I was well-past the usual age for retirement from Baker Botts. My partners had been patient, but there are times to repot and this felt like one of those. Isn’t that how we make good decisions at this time of life?

I believe lawyers make good regulatory heads when they set out to make the system work better and remember to take the job seriously but not themselves. In this case, we have a chance to improve audit quality and investor protection. Public confidence in the audit and the strength and independence of the audit profession are crucial elements of our economic success. The PCAOB has assembled a superb staff to support this effort. No excuses if the chair does not provide effective leadership. Isn’t that the way we’re supposed to feel at this stage?

Mr. Doty was raised in Houston, earned a B.A. in History from Rice University, and was a Rhodes Scholar at Oxford University in England. He also received an M.A. in History from Harvard University before getting an L.L.B. from Yale Law School.
PART II: REVIVAL

The second in a series on the history of accounting at Rice

BY TODD JOHNSON

NEW FACULTY

Revival of the program had to begin with obtaining new full-time faculty. However, the department was not well-equipped to undertake a search for accounting faculty. Economics faculty members did not attend national or regional meetings of the American Accounting Association (AAA), where much of the faculty recruiting took place, nor did they have contacts with faculty members in accounting programs at the major universities that produced doctoral graduates. An unsolicited application arrived in late 1969 from an accounting doctoral candidate at the University of Michigan, L. Todd Johnson, a Texas CPA who had roots in Houston. He had graduated from Bellaire High School and worked for Touche Ross downtown, where some of his colleagues were graduates of the Rice accounting program. Also, in his MBA program at Michigan, he had read The Theory and Measurement of Business Income, a book authored by the chair of the department at Rice, Edgar O. Edwards (with Philip W. Bell) that was acknowledged to be a seminal work in academic accounting. (Edwards was an economist who had been brought in to upgrade the economics faculty and program, including adding a new graduate program leading to the Ph.D.)

Johnson was invited to interview on campus in December 1969, where he met with the acting chairman, Donald L. Huddle and some of the economics faculty members, as well as V. Richard Viebig, who was lecturing in the program. From Viebig especially, he learned much about the program’s history and current state. By day’s end, he was offered a position as assistant professor. Since the accounting program was as one of the few such programs at a highly-selective and well-endowed private university, he saw that it had significant potential that could be realized. Aware of the challenges and pitfalls associated with trying to realize that potential as an untenured, junior faculty member in a department full of economists, he accepted.

During the course of the interview, Johnson had noted that all of the courses being offered under the business administration rubric were accounting courses. Accordingly, he urged that the department be renamed the Department of Economics and Accounting, which was done in time for the 1970-71 General Announcements.

Johnson also observed that more full-time faculty would be essential to reviving the program. Thus, in agreeing to accept the position, Johnson secured a commitment to begin recruiting for the other vacant full-time position, as well as an agreement in principle that the department would seek additional full-time accounting positions from the university administration as enrollments grew.

He soon identified several candidates for the vacant position, who were later invited to campus for interviews. James A. Largay, III, a doctoral candidate at Cornell, was offered the position, accepted and joined the faculty as assistant professor beginning with the 1971-72 academic year.
GROWTH AND DEVELOPMENT

Johnson’s arrival made it possible for introductory, intermediate and cost accounting to be offered at more popular hours in the 1970-71 academic year. To entice potential accounting majors to choose introductory accounting as an elective, he scheduled it mid-day on a Tuesday-Thursday schedule that spring. One hundred and thirteen students enrolled, substantially exceeding the assigned lecture hall’s capacity, requiring the class to be split into two by adding a second section in the following time slot.

Exposing that large number of students to accounting set the stage for increased enrollments in the higher-level courses the following year. For example, the enrollment in the first intermediate accounting course the next fall was nearly double what it had been the year before. And Largay’s arrival the following year made additional courses available at popular hours, including advanced accounting and tax. Moreover, with Largay taking over cost accounting, Johnson was able to offer introductory accounting in both semesters, rather than only in the spring, thereby further increasing enrollments and facilitating the exposure of more potential majors to accounting. Soon, the accounting program was generating over 40 percent of the credit hours in the Department of Economics and Accounting.

During that time, part-time adjunct faculty members continued to make significant contributions to the program. In particular, Jerrold M. Paine, Viebig, and Frank E. Watson taught the courses not covered by full-time faculty. Viebig, for example, taught an array of courses in auditing and tax, as well as financial reporting issues.

Next Issue:
PART III: MANAGERIAL STUDIES PROGRAM

Todd Johnson taught in the department of economics and accounting at Rice from 1970 to 1979, when he took a leave of absence at the end of that fall semester to join the staff of the Financial Accounting Standards Board (FASB). Instead of returning to Rice at the end of his leave in 1982, he became professor of accounting and head of the accounting division and later associate dean of the College of Business and Administration at the University of Colorado at Boulder. Following four years there, he became professor of accounting and dean of the School of Business and Public Administration at the University of Houston-Clear Lake. In 1990, he returned to the FASB. During his tenure there he took a one-year leave to serve as Director of Research at the UK Accounting Standards Board in London. He recently retired from FASB as Senior Technical Advisor.
BRAZIL IS COMMON GROUND TO NEWEST ACCOUNTING PH.D.s

Both Rafael Copat and Jonathan Bonham came to the Jones School this past summer with dreams of studying accounting in the Ph.D. program. It wasn’t until they met at Rice that they discovered their exceptional stories included the experience of living in Sao Paulo, Brazil.

RAFAEL COPAT grew up in a small town in Brazil where his father owned and managed a manufacturing firm. At 17 he left home to study business at Pontifícia Universidade Católica in Porto Alegre, the capital and largest city in the state of Rio Grande do Sul. “I can say that I love studying and have always been a very dedicated and tenacious student.”

The allure of academics, the big city and graduating first in his class kept him in school in Porto Alegre for eight years, adding Universidade Federal do Rio Grande do Sul as another alma mater. After earning three degrees — a B.B.A., a Specialist in Management Controllership and a Master of Science in Business Administration — Rafael went into business for himself as a consultant. His interest in academia, however, changed his direction. For two and a half years he taught classes, including derivatives, risk management, and financial management at his alma mater and Universidade de Caxias do Sul.

But teaching without a Ph.D. was frustrating. “There was no time for research of any kind.” Fluent in Portuguese, Italian and English, Rafael investigated Ph.D. programs in the U.S. Rice had the rankings and the faculty he was interested in. “The Jones School is one of the world leaders in accounting research. The faculty have a vast knowledge and specific publications about corporate governance, which is my main research interest.”

Rafael had a back-up plan. He and his wife Alexandra moved to Sao Paulo, where he was admitted to a Ph.D. program — one of only two AACSB accredited in Brazil. Because the school year began in January, he started the program, but waited and hoped to hear from Rice. When he did, “My professors supported my leaving.” In the U.S. since July, Rafael and Alexandra are both settling in: she, with a work permit and English classes; he, with the first-year demands of a rigorous Ph.D. program. “But it’s the foundation of everything I’m going to use and need. And Ramesh’s class, “Intro. to Accounting Research,” is wonderful. His knowledge is so broad. If I spent 10 years with him he would still have something to teach me.”

The oldest of seven children, JONATHAN BONHAM left the mountains in Snowflake, Arizona, to study a year at Brigham Young University before heading off for two years as a missionary in Sao Paulo, Brazil. That time opened up his life and his resolve. He learned to speak Portuguese, navigated another culture and helped people. “It had a big impact. I came home more ambitious, focused, and goal-oriented.” Back at BYU, Jonathan took up a double major in accounting and economics and a minor in mathematics, and was admitted into the five-year Master of Accountancy – Ph.D. Prep Track.

“I always knew I wanted a Ph.D. My dad told me he regretted postponing his graduate studies. While studying at BYU, I completed several internships and noticed that while professionals are quick to use cause and effect relationships to better perform their work, there is little time in today’s fast-paced environment to investigate or scrutinize these relationships. I joined the accounting Ph.D. prep track hoping to find a profession in which I could have the time and the opportunities to thoroughly pursue these kinds of questions.”

Along with pursuing accounting questions at BYU, Jonathan met and married his wife Lindsey and soon welcomed their two children — first Lorena, then Joshua. The decision to come to Houston and study at Rice was made together. “Lindsey is tremendously supportive. She wants me to like my work.”

The Jones School’s highly-selective Ph.D. program matched Jonathan’s requirements. “I am interested in both analytical and archival research, and Rice has world-class faculty specializing in these methodologies. I am very grateful for the opportunity to work with and learn from such knowledgeable and dedicated people.”

With the first semester under his belt, Jonathan feels relieved. “I’ve heard a lot of horror stories about that first semester.” Although the courses have been challenging, he hasn’t been overwhelmed. “I sometimes wish I was a little more prepared, but this is why I’m here.”
FOCUS, COURAGE, PERSISTENCE
An Evening of Thought Leadership

At the heart of the Jones Partners Thought Leadership Series is the pledge to bring industry experts and academics together to lead a public discussion on relevant topics. In September, the Shell Auditorium filled with students, alumni and other business professionals eager to participate in a conversation about women and leadership in the 21st Century. The discussion was led by Jim Turley (B.A. ’77, MAcc ’78), chairman and CEO of Ernst & Young, and Karen Nelson, Harmon Whittington Professor of Accounting and accounting area coordinator at the Jones School.

The evening featured an informal format with speakers presenting, followed by questions and a reception for over 160 attendees. Jim opened on the broad theme of leadership at this tumultuous time for the world economy. “It’s competitive,” he said. “There will be winners; there will be losers — personally, in companies, in the country. Focus on execution. It’s that basic.”

Actively engaged with many stakeholders as part of Ernst & Young’s commitment to enhancing the public’s trust in professional services firms and in the quality of financial reporting, Jim has encouraged dialogue across the globe regarding the many changes facing the world capital markets. The topics include the advent of the Sarbanes-Oxley Act in the United States, the introduction of International Financial Reporting Standards in more than 100 countries throughout the world, and the overall movement toward greater convergence of global auditing standards and global governance. At the Jones School, he shared much the same message. “We are living through the most rapid shift in the history of the world. If we don’t recognize that the fundamental capital shift is just as important as the demographic shift, if we don’t get that right as a country and as a company, we will not succeed.”

Not limiting his conversation to gender, Jim included ethnicity, age, religion, sexual orientation and physical ability in his talk in the importance of organizations and individuals seeking a variety of different perspectives and voices. He closed with this advice: “Seek out the organizations that recognize the shift to drive its strategy.”

Karen Nelson focused on women and leadership in academia, noting that the Jones School serves as a primary pipeline for organizations to recruit and develop a diverse leadership pool. She presented statistics showing that while women comprise almost half of all graduate degrees in medicine and law, business schools lag with female student enrollment averaging 37 percent. Women are under-represented in the upper levels of academia as well as the business world, representing only 18 percent of tenured full professors in business schools. The lack of critical role models both in the business world and on business school faculty was found to be a leading deterrent to women deciding to enroll in an MBA program.

“A little bias hurts a lot,” she said. Research shows that even a small variance in performance scores attributable to bias against women candidates can have a notable effect on their representation in the top levels of an organization.

One way that subtle bias can work its way into performance evaluations is in the ways different traits of men and women are viewed in a leadership context. Research shows that people often link men with more of the traits that traditionally connote leadership, such as ambitious, assertive, independent, decisive, logical, and self-confident, while women are viewed as supportive, sympathetic, compassionate, and helpful. This situation creates a classic “double-bind” – when performance is ambiguous, women are viewed as less competent than men but when performance is clearly successful, women are rated as less likable than their male peers.

Karen argued that to be successful, organizations need to raise awareness about the subtleties of potential bias and its consequences and create transparency in the evaluation process to hold managers accountable for making bias-free decisions.

After a volley of questions and answers by Jim and Karen, the spirited discussion continued into the reception and beyond.

Jim Turley earned his undergraduate and graduate degrees at Rice University, a B.A. and a MAcc. He began his career with Ernst & Whinney (now Ernst & Young) in 1977 in the firm’s Houston office. Karen Nelson graduated summa cum laude with a B.S. in accounting from the University of Colorado and earned her Ph.D. in accounting from the University of Michigan. Professor Nelson is a Certified Public Accountant in Colorado, and was an auditor prior to returning to school for her Ph.D.
Request for Alumni News

Your fellow alumni want to hear about what's new in your professional and family life. E-mail us at parliament@rice.edu to give us an update, and also send us your high-resolution photos. We'll share your news in the next issue of The Parliament.

Help Support the MAcc Relaunch

The Jones Graduate School of Business is excited to be relaunching the Master of Accounting Program at Rice University. A significant amount of time and energy has been spent deliberating the feasibility of this program. In preparation for the relaunch of the program, we are working very closely with alumni and other accounting and business leaders within the firms to gain insight into the needs of the profession.

To make a donation to the program, please use the form below or you can give online at business.rice.edu/donate, under designation choose “Master of Accounting Program”. If you have any questions please contact the Jones School at 713-348-6222 or jgsgiving@rice.edu.

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