

THE
HARD

RIGHT

NOT THE EASY WRONG

WITH MALFEASANCE SCARRING THE CORPORATE
WORLD, XAVIER'S LONGSTANDING EMPHASIS ON
TEACHING ETHICS IS TRULY PROVING ITS WORTH

BY GREG SCHABER



THE CAMPAIGN FOR XAVIER

► JUDI BLAIR WAS DEVASTATED when the scandal broke. In an instant, much of her life savings was gone.

It was 2004, and Blair had then invested 38 years of her life—since age 18—and much of her savings in Dayton Power and Light. Then came the allegations of financial improprieties against three top company officials. Within months, the energy company's credit rating tanked and stock prices nose-dived to roughly half of their previous worth. Emotional, fearful investors packed stockholders' meetings.

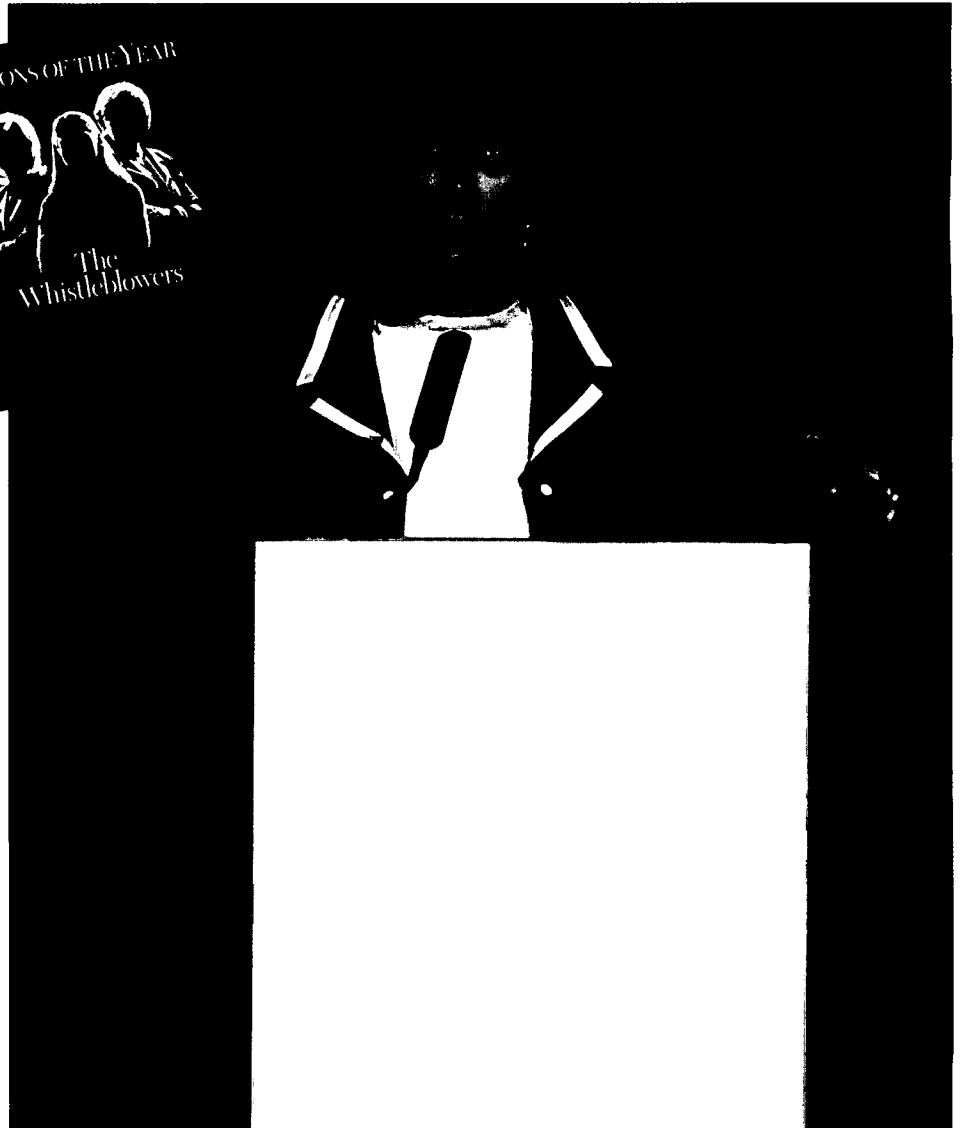
It's the kind of experience you don't easily forget. "I've lived it, trust me," says Blair, director of operations for Dayton Power and Light and a 2008 Executive MBA graduate. "I've

worked at the company under good leadership and poor leadership, and ethics was right at the top of the reasons for each."

Business ethics, or lack thereof, has been big news since 2001, when two companies most people had never heard of—Enron and WorldCom—achieved ignominious status as textbook examples of executive malfeasance. Shortly before the screaming headlines began proclaiming the naked reality of corporate greed in America, Xavier launched the Center for Business Ethics and Social Responsibility. The goal was deceptively simple: Make certain faculty were comfortable talking about ethics in the classroom so students would be prepared to do the hard right as opposed to the easy

wrong in the workplace. In hindsight, the timing couldn't have been better.

For the past seven years, the center's director, Paul Fiorelli, has staged workshops and lectures exploring both the heroic and the sinister aspects of business ethics. Whistleblowers such as Enron's Sherron Watkins—a *Time* magazine Person of the Year—and Jeffery Wigand, who took on big tobacco interests and became the subject of the film, "The Insider," revealed the dark side of corporate governance, while former Johnson & Johnson general counsel Roger Fine and ex-Navy SEAL Eric Greitens offered a view of responsible, moral leadership. In the process, the center has engaged faculty, students and the



WALKING THE WALK: The new Cintas Institute for Business Ethics will help Xavier continue to draw from among those known for their strong business ethics, such as former Navy SEAL Eric Greitens (top), Enron whistleblower Sherron Watkins (right) and tobacco industry whistleblower Jeffrey Wigand (above) whose testimony on the deceptive practices of the tobacco industry led to the landmark tobacco settlement and inspired the movie "The Insider."



ON THE BLOCK: Enron, which was known in the industry as “the crooked E” for both its practices and its tilted corporate logo, was forced to auction off surplus equipment to raise money for creditors.

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 business community as stakeholders for greater awareness and continued development.

The Center’s growing presence and profile have drawn increasing attention, and in April those efforts were rewarded with generous gifts from the Farmer Family Foundation and the Robert J. Kohlhepp Family Fund of the Greater Cincinnati Foundation. The gifts—from Cintas Corp. executives Richard Farmer and Bob Kohlhepp—support the Center’s programs and its space in the new Williams College of Business building, and bring with it a new name: The Cintas Institute for Business Ethics

at Xavier. The new support ensures not only greater visibility for the institute, but also opens the door to expanded programming.

In many ways, the phrase “ethics at Xavier” brings things full circle. The idea of ethics at Xavier is as old as the school’s Jesuit mission. Indeed, Fiorelli sees the center’s work as an extension of Xavier’s core values.

John Ritter, a 1994 graduate, bet his business future on those values. So far, it seems to be paying off big. In April, Ritter Daniher Financial, the six-person company he co-owns, received the International Torch Award for Marketplace Excellence from the National Council of the Better Business Bureau, besting 78 companies across North America, including giants like Wells Fargo and Standard Oil. Ritter Daniher shared the award with CarMax, a company with about 15,000 employees. Ritter attributes the award largely to his company’s ethical underpinnings.

The realities of ethical practice hit home during Ritter’s senior year at Xavier while working for a financial planning firm. “The company used a sales-focused approach,” Ritter recalls. “Financial planning was given away as a marketing tool to help sell a product. But I wanted

CAMPAIGN AT A GLANCE

To See Great Wonders: The Campaign for Xavier will enable the University to revolutionize the student learning experience and dramatically enhance the campus environment through:

Creation of the James E. Hoff, S.J., Academic Quad. The centerpiece of a sweeping campus transformation, the Hoff Academic Quad will enable Xavier to meet the learning needs of 21st century students as well as any college or university in the nation. The quad includes the modernization of the library and Alter Hall classroom building and features two new facilities—the Learning Commons and a new home for the Williams College of Business.

- The Learning Commons will serve as a hallmark for Xavier’s future and be recognized as a unique facility within American higher education. This high-tech, highly social center for learning outside the classroom will provide students with the facilities, technologies and services to best prepare them for lives of distinction and service.
- The new Williams College of Business building will be a world-class, technologically rich resource featuring a trading room, data-mining laboratory, presentation studio and centers for ethics, entrepreneurship and investment research.

Creation of Xavier Square. This development provides a vibrant, welcoming entryway to campus, featuring a mix of retail, entertainment and student housing space.

Growth of the Endowment and Annual Fund. Long- and short-term funding increases will provide vital support for student financial aid and the operational growth of the institution.

For news, videos and virtual tours of the campus transformation, visit www.xavier.edu/greatwonders.



THE CAMPAIGN FOR XAVIER

to be in the role of a trusted financial advisor.”

Ritter saw the conflict of interest in such a situation and felt it was wrong—and very much the opposite of the principles he was learning at Xavier. “It sounds clichéd,” he says. “But a lot of what I learned at Xavier was how to do the right thing. What I gained at Xavier wasn’t just a diploma, but how to think and how to do something with an ethical compass in mind.”

Ritter soon joined forces with another like-minded hire at the company, Jeff Daniher, and the pair took their ideas and launched Ritter Daniher. The company, which operates on a fee-only basis that stresses fiduciary duty to its clients, has since moved into the forefront of fee-only firms nationally. *Financial Advisor* magazine has twice recognized the firm as one

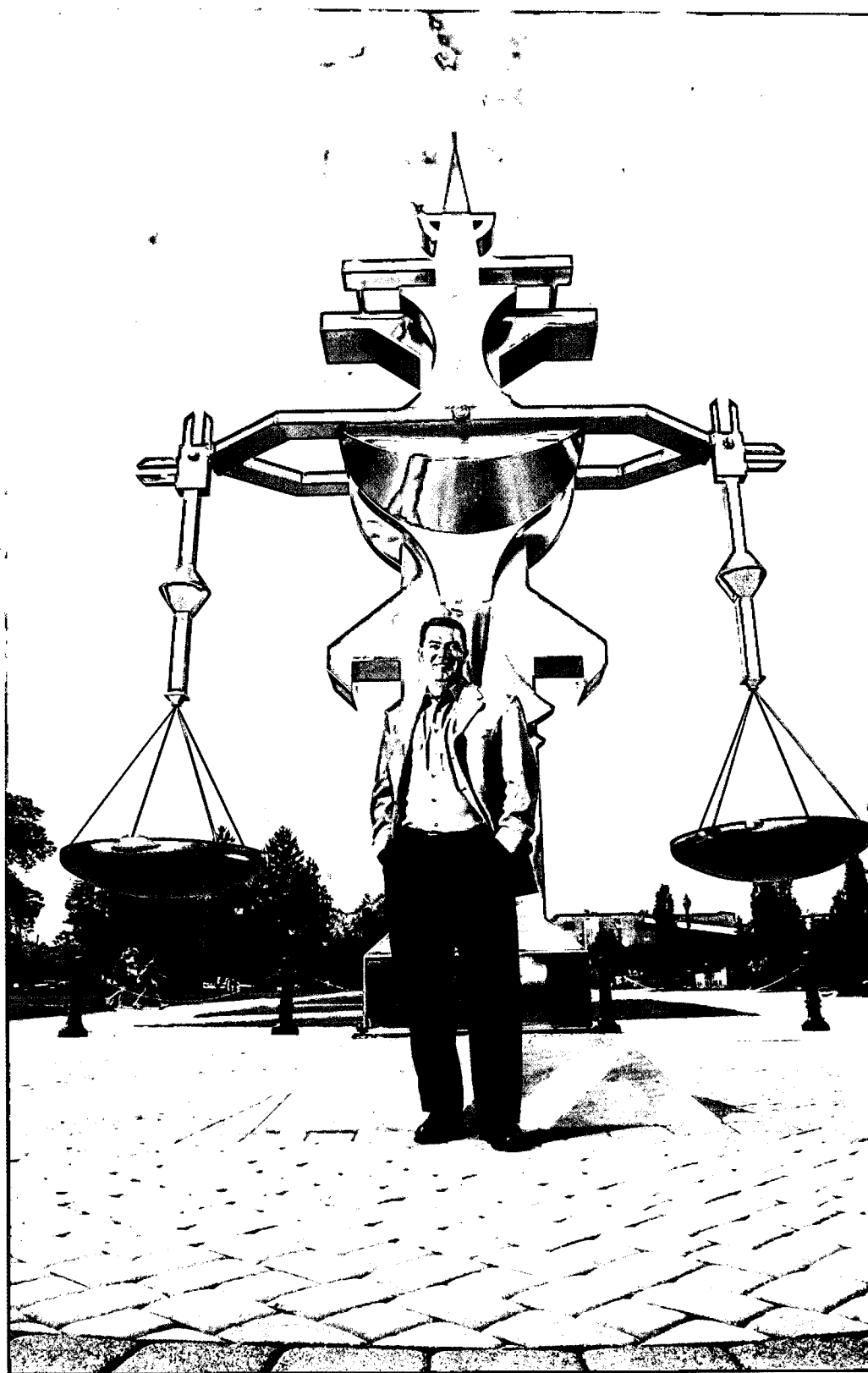
“The younger generation is really looking for this. The idea that greed is good has, to some degree, gone away, and they’re looking for a more well-rounded, balanced look at how they’re living.”

of the nation’s best. The company manages about \$120 million for 125 clients, and this year Ritter Daniher is responsible for the entire educational agenda at the National Association of Personal Financial Advisors’ 25th anniversary conference in Long Beach, Calif.

But in spite of the growth, Ritter says competing against Fortune 500 companies for the Torch Award was daunting. “We don’t have a dedicated ethics department,” he says. “It’s more the fiber of how we run our business.”

And while he admits business in general has gotten something of a black eye in the public consciousness over the past seven years, Ritter takes heart that the next generation of business people is reaching for this thread, as well. “The younger generation is really looking for this. The idea that greed is good has, to some degree, gone away, and they’re looking for a more well-rounded, balanced look at how they’re living.”

This idea resonates powerfully with Blair as well. She credits the values-based approach of Paul Barbas, who became CEO of Dayton Power and Light in the wake of the scandal,



A BALANCED APPROACH: John Ritter’s fee-only approach to financial planning, which stresses a fiduciary duty to his clients, won his company recognition from *Financial Advisor* magazine and the BBB.

CAMPAIGN NOTEBOOK

A SCHOLARSHIP FROM A FATHER KILLED SEPT. 11 AND THE RECYCLING EFFORTS ON XAVIER SQUARE

with turning around the company's fortunes—and her own. Stock prices are back to where they were prior to the controversy, the company has returned to an investment-grade



As successful businessmen, Richard Farmer, founder and chairman of the board of Cintas Corporation, and Robert Kohlhepp, vice chairman of Cintas, understand the value of ethics. And thanks to their generosity, Xavier's Center for Business Ethics and Social Responsibility recently received a new name—the Cintas Institute for Business Ethics at Xavier University—and the luxury of funding for programs heretofore only

dreamed of. The announcement came April 18 at the conclusion of a presentation by Farmer at the Williams College of Business' Distinguished Speakers Series. "All of us at Cintas are proud and honored to be associated with Xavier University and the Institute for Business Ethics," Farmer said. "Our future business leaders must strive for honesty and integrity in everything they do. I'm pleased that our institute provides the kind of learning environment that promotes greater scholarship and helps create stronger leaders."

credit rating and employee morale has skyrocketed.

"If I didn't know better, I'd say I was working for a different company," Blair says. "He truly has created an ethical climate, and he leads by example."

Leading by example, doing the right thing and keeping sight of the human aspect permeate Ritter's approach to ethical practice as well. And he sees those not as things reserved for the workplace, but rather, as a way of life.

"It's just one of those things," he says. "I want to be able to look at myself in the mirror and know I'm not taking any shortcuts—not taking the easy way. I think about any service provider, that I'm open and honest and giving all the facts to my clientele. And in my own life, my wife and I are trying to raise our children to be honest and kind. Everything is easier if you get it right at the beginning." X

FOR MORE ON THIS VISIT OUR WEB SITE
WWW.XAVIER.EDU/ALUMNI

Honoring a Father | Robert A. Jalbert was a man of deep Catholic faith and conviction who understood the importance of his roots and believed in the value of a Xavier education. So when Jalbert, father of 1993 graduate Michael Jalbert, was killed aboard United Airlines Flight 175 on Sept. 11, 2001, his family decided it most fitting to establish a scholarship in his name. The result was the Robert A. Jalbert Scholarship Endowment Fund, which will create a scholarship valued at more than \$11,000 a year. The new award assists a graduate of St. Dominic's High School in Auburn, Maine—Jalbert's alma mater—in attending Xavier.

"There are so many ways to honor someone's memory," says Jalbert's widow, Cathie. "My kids talked about setting up a foundation to serve people who are sick or who fall through the cracks. But I think they were our ideas. They didn't reflect who Bob was. I never felt right, so I hesitated for a long time. In the end, it dawned on me that a scholarship for someone from St. Dom's was the thing to do."

Cathie made the decision at the end of 2007 and approached Xavier Provost Roger Fortin—Robert's high school classmate, longtime family friend and advisor to Michael, a history major—to aid in the process.

"She had indicated to me for several years that she hoped she could do something in loving memory of Bob, but she was never sure what that was," says Fortin. "I always told her that in time she would know what that was. Then when she called and said she wanted to set up this scholarship at Xavier, I was very moved. Bob and I would get together a couple of times a year and have dinner. I have a picture of him in my office and think of him frequently. He was a strong Catholic and a person of great character. He was the kind of person who would take a day off of work just to spend time with his grandchildren."

"Sept. 9 was Bob's birthday," Cathie recalls. "That day, he was very content with where our children were in their lives. He was happy with where we were. He was always grateful. I think this would honor his spirit and keep it going. Our family's hope is that we can find someone who has the need of a scholarship and who will grow from a Xavier education the way my son did," she says.

Xavier Square Update | Students, University officials and representatives of local print and television media outlets gathered May 8 to witness the demolition of a landmark—the Norwood Café. The bar, known fondly to many current and former students as "The Woods," was taken down, along with a number of houses on Cleary Avenue, to make way for the construction of the Xavier Square development. Groundbreaking for that project is scheduled to take place before the end of the year.

This phase of demolition on the site follows on the heels of the April implosion of the Zumbiel Packaging facility. Material from the Zumbiel building is being recycled as the site is cleared. As of April 30, workers recycled more than 37,000 tons of brick, concrete, asphalt and steel.

ZUMBIEL FACILITY RECYCLED

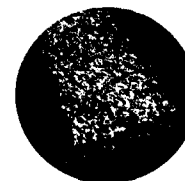
CONCRETE
32,652 tons



BRICK
1,520 tons



ASPHALT
206 tons



STEEL
2,679 tons

