HUSSON ALUMNUS

WINTER 1968





Meet Carole Hawkes of Bangor, a freshman in the Department of Business Education. You guessed right if you thought Carole was 1968 Winter Carnival Queen. The February event was sponsored by Circle K Club of the College.

HUSSON ALUMNUS

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EDITORIAL

Glad you are with us

Most alumni chapters meet during the second half of the college year, but at least one has already gathered, this time to mark the organization of a new chapter. Greetings from the Alumni Association go out to our friends in the Augusta-Waterville area, the most recent to join our ranks. Central Maine Chapter officers are Tony Pavone ('65), president; Paul Maroon ('59), vice president; and Carol Auger ('65), secretary-treasurer. And a special thank you to Bert Albert ('59) for his behind-the-scenes efforts in promoting the first meeting.

Homecoming chatter

The Executive Committee of the Alumni Association met twice during January and this month the Alumni Board of Directors met to discuss Homecoming and the opening of the new campus. The spring issue of HUSSON ALUMNUS will carry updated news on both subjects. And while we are here, let us remind you that the alumni office would like to hear about you, your professional growth, resident moves, and, of course, news of alumni who are not receiving this publication.

We'll try harder

Alumni may recall finding a reader survey card enclosed with their fall issue of HUSSON ALUMNUS. The purpose in conducting that survey was to guide the editors, who firmly believe that a publication for alumni should be keyed to the interests of alumni, people with mature ideas about what they want.

The response was significant; we found that alumni had passed the publication on to wives, husbands, children, even brothers and sisters for reading. The survey was, at best, wholly unscientific but alumni comments are prized and will help set up future guidelines. For example: Alumni in the News received the highest rating among regular features; news of campus developments and alumni profiles were a close second. Votes also were heavy for more news about alumni chapters and faculty news. Alumni delivered a severe wound to our vanity when they rated our editorials below all else. We'll try harder now that we are number two.

And a big thanks for helping us!

ALUMNI IN THE NEWS



Members of the new Central Maine Chapter elected Tone Provone president (left), Carol Auger secretary-treasurer, and Paul Maroon vice president. Members hail from the Augusta and Waterville area.



President Chesley H. Husson congratulated new Bangor Chapter officers Tony Picard (left), president, Nancy McKenny, secretary-treasurer, Larry Eaton, past president looks on, vice president Alden Stewart was unable to attend the meeting.

EUGENE McCARTHY ('39) has been on the speaker's circuit for Northeast Airlines, stopping in Lewiston recently to address the Lewiston-Auburn Rotary Club. Gene, a 22-year veteran of Northeast, is district sales manager, making his office in Bangor.

MARIA NINSI LUND ('47) is back at her old high school, Mt. Desert Island, but this time as a teacher. The Lunds reside in Somesville.

MERVYN H. JOHNSTON ('50) has been appointed by the Bangor & Aroostook Railroad to take over as auditor of revenue. Mervyn has been with the railroad since 1950 in both the mechanical and accounting departments.

WILLIS L. FENWICK ('51), a mechanical engineer, has been transferred to the New York home office of Union Bag, Pulp and Paper Corporation of Savannah, Ga. Willis is an assistant superintendent in Union's Standard Department. The Fenwicks will make their home in Morris Plains, N. J.

HENRY E. PREBLE ('51) has been promoted to terminal manager of Cole's Express in Portland. He joined Cole's in 1951 as a billing and rate clerk, moving to terminal agent soon after. Cole's Vice President Gerald A. Cole cited Henry for "having considerable experience in many phases of its operation and contributing greatly to its success."

MARILYN ELWELL SOMERS ('56) mother, housewife, and music teacher in Patten is also Bangor Daily News correspondent for Patten, Mt. Chase, and Shin Pond.

TERRENCE COYNE ('60) has been appointed district sales manager in New York for P & O Lines, a British-owned passenger steamship company. He was district sales representative in San Francisco and New York prior to his promotion. Terry, his wife, and daughters Lisa Jo and Erin make their home in Maywood, N. J.

JOSEPH H. PALLESCHI ('62) and fellow Jaycee Warren Davenport were presented bonds as outstanding young men of the year by the Wayne-Winthrop Area Jaycees. Joe is assistant to the president of Bliss College in Lewiston.

THOMAS COUGHLIN ('64) has joined the Friendly Ice Cream manager training program at the firm's Friendly Shop in Plainville, Conn.

DONNA McINNIS ('67) has completed Airlines Stewardess Training at Boston's Logan International Airport and will fly Northeast Airlines east coast routes which stretches from Montreal to Miami.



Student Senate President Sketches Achievements, Goals

James J. Reichardt, Class of 1968
Department of Business Administration
President of the Student Senate

The Student Senate, a voice of the students, is composed of representatives from all organizations, clubs, and associations on campus. It is through these delegates that the student is offered an opportunity to contribute to the government of the college.

Whether a criticism or recommendation, a student can appear and be heard at a Student Senate meeting. And a matter can, in turn, be brought to the Faculty Senate if necessary.

In addition to maintaining its representative body, the Student Senate sponsors, among other things, the annual Chief-for-a-Day activities and publishes Tomahawk Tally, a daily bulletin that serves as a line of communication between student and faculty. However, in the past year the Senate has established what may be termed a major contribution to campus life — the Entertainment Fund. It was made possible through the cooperation of the Faculty Senate.

About a year ago Student Senate members organized a committee to study the possibilities of obtaining more (and better) entertainment that would appeal to the entire student body. Student Senate representatives attended a Block Booking Conference held at Columbia, South Carolina, in February of last year.

The purpose of the meeting was to bring together colleges having a desire to explore practical methods of bringing entertainment to their campuses. There it was determined that the 78 colleges and universities represented had enrollments ranging from 400 to 22,000.

The conference organized the colleges in a manner that costs for entertainers could be reduced considerably by arranging special routing fees. Also, it was learned that a majority of colleges had established a student entertainment fee, ranging from $5 to $15 per semester. It gave students a budget with which they could book attractions.

Returning from the conference, we drew up a bill relative to establishing an entertainment fund at Husson College. The bill stated how the fund would be set up and operated. It was voted on by every organization (thus every student) on campus with 98 per cent in favor of its passage. With maximum entertainment at a minimum expenditure the goal, the bill was also approved by the Faculty Senate.

The $5 per semester fee was established in the fall of 1967.

Objectives of the fund are to offer students frequent extra-curricular entertainment, associate the student with present-day problems through qualified speakers, and to attempt a unity not only between members of the student body but between student, administration, and faculty as well.

The fund admits the student to these activities, and the total amount deposited in the fund during a college year is used in that year.

Even the Senate cannot please all interests, but student reaction to activities sponsored to date has been gratifying. The fund has made possible weekly movies, three concerts with high attendance, and several speakers who have touched on the serious and humorous sides of life. It marks the first time in the history of the college that students have been offered so much in such a short span of time.

The move to the new campus will bring with it new and greater challenges for the Student Senate. But if its present rate of progress is any kind of yardstick, the Senate seems certain to meet these situations.

And it is strictly for the betterment of college life.

Economic impact of the college is measured

A master's thesis done by former Husson College instructor Richard Vizard still crops up from time to time in various New England publications. Because of the interest it has created in so many quarters, the paper is reproduced here, in part, for the benefit of alumni.

What is the economic impact of a college on the community in which it is located?

How does a college affect local employment and income?

How does it compare with a manufacturing facility?

A study of a small private college in Bangor, Maine, concludes that the college represents an important source of funds for the local area.

These funds result from the school's purchases of goods and services and payments to employees, and of greater importance, student spending over and above the fees paid to the college. The college is an export industry because it receives funds from outside the area. This stream of income had almost a threefold impact on spending within the locality.

Also as a result of the students' spending, the impact of the college on local employment is equal to that of a manufacturing facility with a much larger number of employees . . .

The study was based on an examination of the contribution made by a small private college, Husson, to the Greater Bangor Area (GBA) in Maine. The college's enrollment has grown rapidly since the early 1950's and in 1966 included almost 1150 students. About three-fourths of the students come from outside the local area: about 22 percent of that number are from out of state. Total direct employment at the college including faculty, administration, and staff has also been increasing; in 1966, personnel numbered 83.

The college is located in Bangor. Although the city itself has about 40,000 residents, with the 10 localities in a 12 miles radius which make up the Greater Bangor Area the population is almost double that figure.

The study includes three distinct spending groups: the college, the staff, and the students. Data were compiled from correspondence, interviews, library research, and surveys.

A survey was conducted to measure the dollar contribution of the students to the GBA economy over and above payments made directly to the college. Usable responses were returned by about two-thirds of the group, representing a 21 percent sample of the students.

With its funds the college purchases goods and services locally and pays its employees. In addition, the students buy food, clothes, and books, pay medical and laundry bills, and go to movies. As these funds are added to the income stream, they further stimulate demand in an endless though diminishing stream.

Total spending in the GBA attributable to the college, staff, and students amounted to $2.26 million as shown in the table.

The largest source of expenditures was student spending over and above college fees. In 1966 average supplementary expenditures for a student living in a dormitory amounted to $641. Owning or operating a car added an average of $86 to his total costs.

While these amounts were spent in the GBA, not all of them represent a net addition to the economy. One quarter of the students come from the area and derived their funds from it. Other students received income from jobs, loans, or scholarships within the area. When the funds generated within the GBA were deducted from total spending, funds from outside the area amounted to $1.48 million or 66 percent of the total spent.

The income multiplier for higher education and for student spending has been estimated at about 2.9. Thus, the $1.48 million in funds generated by the College in 1966 from outside the area yielded an additional $3.14 million of spending in the GBA economy.

The multiplier also creates new jobs. In a growing college the demands of more employees and a larger student body create more local jobs. As a result of student supplementary spending, the impact of the college on local employment is much greater than would be expected from the number of its employees. It is actually equal to that of a manufacturer employing many more workers.

This can be illustrated by comparing the college with a hypothetical shoe company which brings the same amount of export income as the college to the GBA.

Calculations based on these figures show that 335 workers would be employed in the hypothetical shoe factory.

Moreover the employment multiplier is higher for a college than for a shoe factory. The employment multiplier for a shoe

EMPLOYMENT MULTIPLIER

company in the GBA has been estimated at 1.33. Thus, the hypothetical shoe factory with 335 employees would create 111 additional jobs in the GBA. Assuming that export income generated by the college has the same indirect impact on the employment as the hypothetical shoe factory, then the college's impact on local employment becomes a total of 194, or an employment multiplier of 2.33.

GBA

	Hypothetical Shoe Factory	College
Direct employment	335	83
Indirect employment	111	117
Total	446	194
Employment Multiplier	1.33	2.33

In other words, for every three new jobs in the shoe factory, one new job is created indirectly. For every three new jobs at the school, reflecting increased enrollment, four additional jobs would be forthcoming.

As this comparison has shown, income and employment multipliers vary among industries. The size of the income multiplier depends on the average amount of spending locally. Thus an industry which acquires all of its resources locally has a higher multiplier than one which purchases large quantities of materials outside the area.

A college has a significant impact on the local economy. Primarily because of student spending over and above the fees paid to the college, the impact is equal to that of a factory with a much larger number of employees.

TOTAL EXPENDITURES IN THE GBA ATTRIBUTABLE TO HUSSON COLLEGE

Expenditure Type	Time Measured	Amount
Operating (less payroll)	Fiscal, 1966	$ 373,458
Capital	Fiscal, 1966	73,827
Employees	Calendar, 1966	469,293
Student Supplementary	Academic, 1966-67	1,339,576
Total		$2,256,154



Rod L. Slade (left), representative of the Eastern Marketing Region of the Shell Oil Company, presents a $1,500 check to President Chesley H. Husson. The amount represents grants of $500 each with one portion unrestricted, the second for general faculty development, the third for additional professional development of different members of particular faculties. The grant was made possible through the Shell Companies, Foundation Program. On hand were James L. Wright, director of placement at Husson, and Jack L. Shanks, sales manager of the Portland District of Shell Oil.





SP5 DANA L. HARDY
Dana ('65) is assigned to Headquarters, First Logistical Command, in Saigon, Vietnam. He is an accounting specialist.



AIRMAN EDWARD M. LEITGEB
Ed ('67) has completed basic training at Lackland AFB, San Antonio, Texas, and has been assigned to Tactical Air Command at McConnell AFB, Kansas. He is an administrative specialist.

PVT. CHARLES A. PREBLE
Charlie ('65) has completed an eight-week administration course at Fort Leonard Wood, Missouri, where he was trained in the preparation of military records and forms.

A1C RICHARD P. BERNARD
Dick ('63) has been named Airman of the Month at the 92nd Wing Headquarters Squadron at Fairchild AFB, Washington. The award was for "his ability to get the job done as he consistently accomplishes all tasks with great attention to detail, and his willingness to accept responsibility above his rank and devotion to duty."

M/SGT. STANLEY E. GREENACRE
Stan ('48) is on duty at Bay Hoa AFB, Vietnam, where he is a personnel technician. He is a World War II and Korean War veteran.

Faculty Publication Draws Reader Comments

Dear Dr. Parsons:

I enjoyed your essay on Appreciation of Thoreau's The Maine Woods in the new Husson Review. Recently I again read Thoreau and it is nice to find someone who puts into words the enthusiasm that many of us who are reading it have. Your piece may well excite others to read Thoreau.

Edwin Young, President
University of Maine

Dear Chief:

Frequently, magazines as they arrive are put in a stack to be examined leisurely at a later date. In this case, however, I put everything else aside and read two or three of the articles. I was very much impressed with the general quality of the magazine.

McKee Fisk, Dean
Fresno (Cal.) State College

Dear Mr. Husson:

You and your colleagues are to be congratulated on the publishing of a truly fine magazine. May many more such issues come from the press!

Eleanor A. Wood
Chairman of the English Department
Farmington State College

Dear Clara:

This is a fine contribution and reflects Husson's growing contribution to the total field of higher education. I particularly like the breadth and variety of the articles included in the publication.

Dean R. Malsbary
Professor of Business Education
University of Connecticut

Dear Dean Swan:

It is a dignified, helpful addition to the publications in our field. Everything about the issue is first class.

S. J. Wanous
Professor of Education
University of California, Los Angeles

While bouquets were being tossed from California to Maine, the eight-member editorial board of the new Husson Review was eagerly planning another issue. The fledging publication was conceived by Professor Richard Cohen, chairman of the Department of Liberal Studies at Husson College, whose plan was to "provide a creative professional business experience comingling with an enriching cultural background."

If this was Dick Cohen's intention, his finished work is exceeding his expectations and a permanent place for the magazine may be found in the academic and business community. For those who missed the first issue, published in late November, the Husson Review is an array of material focusing on business and culture.

A few samples:

"The Novel as Education," contributed by Professor Morris Golden of the University of Massachusetts, is a slight departure from a paper he delivered in 1966 at a meeting of the Modern Language Association. The essay, although concerned with the eighteenth century, relates to the twentieth century because, as Professor Golden states, "the novelists do wish to teach the nature of reality . . . (and) to unmask contemporary illusions."

And if literature is not your particular forte, John Constantine of Harrisville, Michigan, offers a series of never-before-published letters concerning the hardships of gold mining in Colorado Territory about 1870.

And then there is "Teaching for Concept Development" co-authored by Dr. Vernon Musselman and Professor A. J. Dickinson of the University of Kentucky. The authors say "The highest goals of teaching basic business subjects are to help students develop competence in making business decisions and become worthy citizens in our democratic way of life."

Dr. Vesta Parsons of Husson made a major contribution to the magazine through her analysis of Henry David Thoreau's The Maine Woods. And Larry Eaton of Bangor, controller at Dead River Company and former president of the Bangor Chapter of the Husson College Alumni Association, tackles the subject of "Professionalism and the Management Accountant" from a different angle with his ideas for "the creation of a more meaningful CPA examination."

The editorial board, made up entirely of Husson College faculty members, includes T. J. Anderson, Nancy Hogan, Louise Miller, Vesta Parsons, David Robinson, Brian Simpson, David Still, and innovator Dick Cohen.

The board is seeking manuscripts for the next issue, but to get a look at the initial effort alumni can request single copies at $1.50 each from the Husson College Bookstore.



The Husson Review and David Robinson, Brian Simpson, Dr. Vesta Parsons, Richard Cohen

Professionalism and the Management Accountant

By Lawrence N. Eaton



Lawrence N. Eaton, controller at Dead River Company in Bangor, contributed this article to the first issue of The Husson Review. It is reprinted here with permission of The Husson Review Editorial Board.

During the past decade the role of the accountant as a member of the management team has increased appreciably in importance. In today's business world, no major and few minor decisions are made without first seeking the counsel of the firm's financial arm. There was a time when much of what the accountant now does in a systematic manner was done by the local manager (and perhaps owner) on the basis of intuition or "feel" for the situation.

As the complexity of the business world increased and each move grew more costly, the manager came to realize that his percentage of correct decisions could be increased remarkably by the development of better decision-making techniques. He started relying more heavily on his public accountant to supply information and to evaluate alternatives. This was natural because he was already consulting him on the tax consequences, and the manager was sure of the accountant's professional ability and integrity. This relationship and need grew in intensity in direct proportion to the ever increasing complexity of business activity.

Yet, even as this relationship was blossoming, both the manager and his outside accountant began to rely more and more on figures and judgments developed from within the firm. The internal accountant was coming into his own. Some of the reasons for this were:

1. There was more familiarity with the problem
2. There was easier access to and greater familiarity with the historical data related to the problem
3. The internal accountant could address himself directly to the problem without concern for third party reliance on the figures
4. It was less expensive—in many cases he sandwiched the work in with his normal routine
5. The answers were available sooner because priorities within the firm were easier to establish than between firms.

For these reasons and others, the management accountant has become an important member of the management team.

This leads to what it seems the management accoun-

tant needs to do in order to further the professional status he is now being accorded. He must find a measure or criterion by which others can judge the degree of professionalism for which he stands.

It is not enough that the management team, of which he is a member, places a high degree of confidence in his ability and integrity. Others with whom he, his firm, or his work will come in contact, should also have a criterion which can serve as a guide in placing reliance both on the figures presented and also the judgments made.

There are numerous unfortunate incidents in today's business world where reliance has been placed on figures that were subsequently found to be incorrect and perhaps even fraudulently presented to others. A recent occurrance was highlighted in the *Wall Street Journal*. In this instance, recently acquired subsidiaries had falsified information used as the basis for acquisitions. The parent company is now seeking redress in the courts.

Many accountants engaged in management work have become Certified Public Accountants in order to equip themselves with credentials sufficient to acclaim a high degree of proficiency and ethical restraint in their profession. While this has served adequately as an answer for these people, there are weaknesses in this approach and, in some instances, it works hardships on the aspiring candidates. Five obviously undesirable characteristics are (1) he is tested in areas he will not use in his work, (2) important areas of proficiency are not tested, (3) he may have to leave his chosen field and serve an apprenticeship in public accounting, (4) the ethical code of the CPA does not meet the needs of the private accountant adequately, (5) the governing body is not sensitive to the problems of the management accountant.

Although the American Institute could also attune itself to the needs of the management accountant, it might have difficulty meeting the needs of two distinct although related professional groups. Management accounting has a vehicle more suited to its needs in the National Association of Accountants. It is not only the largest accounting group, but it is already a management accounting organization.

Three areas of major importance that need immediate attention from the organization that accepts the challenge are, (1) the development of a test for the measurement of the candidate's proficiency, (2) the development of a code of ethics to guide the professional conduct of the members, (3) consistent legislation to protect certification at the state level.

First, let us deal with the matter of proficiency. It would seem that an examination could be developed that would measure the knowledge and technical proficiency of the management accountant. This test could be on the order of the examination now being used in the public accounting profession. It would recognize techniques for measuring return on investment, forecasting balance sheets, developing of long-range plans, budgeting and control, as well as many of the areas such as internal control and auditing now given emphasis in the CPA examination. Generally speaking, less emphasis would be given to measuring the candidate's ability to develop useful information pertaining to both the past and future for management decision making. A test of this type would eliminate the need for the candidate to spend time preparing for areas of an examination for which only a remote possibility of usefulness exists while areas in which knowledge and ability are far more important go unmeasured.

It seems apparent that it will require careful study and evaluation of ideas to come up with an examination that can properly cover the diverse areas with which the management accountant must be familiar. If it were determined that the areas were too broad to expect high proficiency throughout, it is possible that the test would have required areas and elective areas. There might even be an appropriate designation for a specialty of the successful candidate. The successful candidate could be called a Certified Management Accountant (CMA) and his specialty, if need be, could be designated in the following manner: CMA (F) might be used to designate finance while CMA (DP) might indicate a data processing specialty.

The second major problem area is the development of a code of professional ethics. It would seem that the successful candidate should also ascribe to an ethical code which would serve as a guide in the day-to-day conduct of his work. While it is obvious that great difficulties exist in the policing of internal ethics, it does not seem that the problem should be considered insurmountable. There would always be those who would violate the code just as there are those who violate most man-made rules. However, most professional people who have, of their own free will, ascribed to a code of ethics as a condition of being elevated to professional status feel strongly about their obligations and honor their pledge. This means that having an ethical guide will bring an obligation to uphold the guide; pressure to conform to the guide and support from group membership will be powerful influencing factors in bringing about conformity. This same group pressure can be used to help in the policing of violations.

It is a generally accepted fact that figures can be interpreted in many ways with widely varied results and conclusions to be drawn from the varied interpretations. Whereas the management accountant is generating, assembling and interpreting this information for use in the decision, it is essential that he have no bias, and, in fact, that he develop for consideration all logi-

cal alternatives, or if this is not feasible, he should at least spell out the limitations of his study, outline the major variances from the proposed solution, and discuss why these did not appear to be as acceptable.

It is essential to the management accountant that his ethical conduct in business reflect the same degree of reliability which he expects to have placed in his figures. Those at the top of the profession have already demonstrated both their proficiency and ethical soundness, and from those previous actions most of their fellow professionals have already assigned a professional rating to the individual (perhaps unconsciously, but nevertheless true).

The individual further down the ladder does not have this advantage. It may take years for his reputation to become known. This recognition could be hastened considerably by giving this individual an opportunity to acquire credentials that would entitle him to professional recognition. While recognition comes hard in the area of proficiency, it is even slower coming to the professional in the area of ethics because at this lower level he is not making the decisions and is generally supervised. His ethical conduct is often influenced considerably by his superior.

Business ethics can be defined as the way the businessman conducts himself in his decision-making role. Ethics is basically a question of propriety of conduct or integrity. Needless to say, the ethical conduct of a society is considerably dependent upon the social and political background of its people. As customs of a society change, so also will change the mode of ethical conduct. At one time in our society, slavery was accepted as a matter of course. George Washington and many of our finest statesmen owned slaves. To change this custom, as is often the way, government action was required. Certainly, we as participants in the business world do not want our ethical codes legislated in our behalf—at least no more than they already are.

The management accountant must recognize and accept the challenge, as the other professionals have, and come up with an ethical code that can serve as his guide in the conduct of his professional duties. He must let it be known that he is a man of integrity, high moral standards, and a sense of fair play.

It would not only be impossible to cover every fact situation with a formal rule in a code of ethics; but, also, a code of this type would not have the needed flexibility. The Constitution of the United States is an example of a document which has existed for many years with relatively few changes. It is difficult to visualize what would have resulted if this had been a rigid document of do's and dont's spelling out answers for all types of situations. A listing of general statements of conduct could be very effective as a guide. Many of these could be of an affirmative nature rather than a listing of "Thou shalt nots". Basic to the formation of such a code is more open discussion of the problem, more articles on the subject, more individual views of the members and the acceptances of the responsibility of national organization for the shaping of the final document.

We ask other professional management people to conduct their activities in an ethical manner in today's business society. It seems particularly important that we make this same request of the private accountant because of the potential pressures associated with his responsibilities. Most top accounting people and many at lower levels have their own codes of ethics to which they ascribe and by which they conduct themselves in the business world. Needless to say, these codes are materially influenced by the personal views of the individual and vary considerably. It would seem that a consolidation of these many views could do much to insure a well-balanced code.

In the June 17, 1961, issue of *Business Week,* Professor Robert W. Austin of the Harvard Business School spells out what he considers to be a positive code of conduct for the businessman:

> The professional manager affirms that he will place the interest of his company before his own private interests.
>
> He will place his duty to society above his duty to his company and above his private interest.
>
> He has a duty to reveal the facts in any situation where his private interests are involved with those of his company, or where the interests of his company are involved with those of society.
>
> He must subscribe wholeheartedly to the belief that when business managers follow this code of conduct, the profit motive is the best incentive of all for the development of a dynamic economy.

Certainly, this approach to conduct would serve well as a starting point in defining any professional code in the business world.

An indication of the importance of high ethical standards, not only to the individual himself, but also to his fellow workers, is indicated in the following discussion:

Mr. John J. Brennan, Jr., Vice President and Treasurer of Electronics Corporation of America had this to say about ethical standards for management:

> The pattern and level of corporate ethical standards are determined predominantly by the code of behavior formulated and promulgated by top management. The rest of the organization, almost perforce, will follow these ethical operating precepts and examples; but, in the absence of such norms, the same organization will be motivated by individual, and possible inconsistent,

codes of behavior.

It is critical, therefore, that each individual comprising top management, including the management accountant, has a well-defined ethical code as part of his repertory. This will give him a clear, objective, and consistent yardstick against which to measure the ethical import of his decisions.

The accountant whose concept of ethics is vague, and possibly even vacillating and inconsistent, is in constant danger of yielding to expediency and even pursuing unethical practices. Also, perhaps more important, he provides an undesirable environment from which his subordinates will develop. Their decisions will be based solely on their own personal ethical principles, with no frame of ethical reference from the top.

The importance of consistent ethical guidance from the top is underlined by looking at the degree one is influenced by one's fellow executives at the same management level. Studies have shown that one's peers have little influence on ethical behavior, but peers are relatively important in influencing unethical conduct. In other words, an executive's fellows are more likely to drag him down than to lift him up.

There is considerable pressure for higher ethics in the business world today, not only for the accountant but also for other management people. Much can be learned from the ethics and activities of these various groups and organizations. In 1961, a group of business men, educators, clergymen, and journalists were organized by the Department of Commerce in Washington, D. C., to form the Business Ethics Advisory Council. After some period of study, they issued a statement which began as follows:

> The ethical standards of American business men, like those of the American people, are founded upon our religious heritage and our traditions of social, political and economic freedom. They impose upon each man high obligations in his dealings with his fellow men, and make all men stewards of the common good. Immutable, well-understood guides to performance generally are effective, but new ethical problems are created constantly by the ever increasing complexity of society. In business, as in every other activity, therefore, men must continually seek to identify new and appropriate standards.

Monsanto Chemical Company has set forth the following principles as being indicative of the company's philosophy:

1. To act on all questions according to the dictates of ethical principles, unquestionable honesty and complete fairness.
2. To address the company's total mental and physical facilities to the task of transforming matter, by applied chemistry, into more useful compositions and making these available economically throughout the world.
3. To study continuously and improve the practices and accomplishments of our organization, in keeping with accepted standards of excellence in American industry.
4. To settle for nothing less than technical leadership in the chemical industry world wide through use of the best minds and the best facilities available.

While one recognizes from the foregoing that there is pressure for reform, one would be naive not to also recognize that there are other pressures on the individual. As one looks around the business world, he sees evidence that executives of many firms have impaired or compromised their ethics for more immediate and tangible goals. It may at times be difficult for the management accountant to resist the efforts of others within the firm to have him compromise his position. If he has a professional code and a professional organizational structure that will back his efforts, he may find it easier to maintain his position of integrity, and in so doing this, could have a marked influence on the whole business community.

The third major problem area which would be encountered is that of getting consistent legislation governing the issuance and control of certification at the state level. This would seem as essential for the management accountant, as it is in the other professions, in order to prevent other organizations from springing up and issuing certifications on a less professional basis. The organization that accepts the responsibility will have to be prepared to work with the various state legislative groups in planning, drafting, and implementing protective legislation.

In summary, the management accountant could gain professional status sooner in his career and in most instances of a higher caliber if a measure of his professional ability could be established. He would be helped in his efforts to develop and maintain high ethical standards by having an organization backing his position when matters of ethics become an issue.

The acceptance of this responsibility for certification of the management accountant by an accounting organization could minimize the possibility of federal legislation and control. The accounting group that accepts this challenge, and seeks to formulate and establish an organization along the lines discussed in this paper, may find that it is not only helping to mold a high professional organization in the accounting field, but in fact, as a by-product, it may find that it is upgrading the professional ethics of the whole business community.



Standing — left to right: Dave Dunbar, Westbrook; Ronald Soucie, Brewer; John Sinclair, Waterbury, Conn.; John DeGrasse, Bangor; Gary Furlotte, Old Town; Mark Jenness, East Corinth; Dick Giroux, Lewiston; Al Caston, Chicago, Illinois; Willie Gavett, Orono; Robert Leavitt, Hampden; Percy Christian, Bloomfield, Conn.; Donnie Myers, Freeport, Long Island, New York; Robert Reynolds, Bangor; Dave Fogg, Hampden; Kneeling Charles Knight, Rockland; Coach Delmont Merrill; Assistant Coach Averill Black; Scorer Richard Cox, Camden.

Balanced Braves in Stretch Drive With 15-5 Mark

With six games remaining the Braves' basketball team seemed assured of its best season since 1964-65 when it finished at 16-8. Coach Del Merrill had his squad of sophomores and freshmen moving at a fast clip, and the cagers had a 15-5 won-lost record through February 14.

If Husson fans were asked to point out a single element that contributed most to the Braves' rebound from a pair of mediocre seasons between 1965 and 1967 it had to be a balanced scoring attack. No less than six front line players have kept their scoring output above ten points per game.

Sophomore Captain Al Caston of Chicago has proved an inspirational leader and he provided much of the offensive punch by scoring better than 20 points per game and pacing the team in rebounds. His sweeping hook shots around the basket have stymied taller defenses and gained the affection of hoop fans both home and away. He also leads the team in rebounding.

Sophomores Dick Giroux of Lewiston and Percy Christian of Bloomfield, Conn., also have sparkled in the front court. Giroux has kept his scoring output around 18 a game; Christian has about 12. Giroux, last year a reserve, is close behind Caston in rebounding. Freshman Willie Gavett of Orono (where he was an all-state pick) rattled off 45 points in the first two games before a foot injury hobbled him through mid-January. He's back in form now and battling for his starting role.

Ball handling has been left to sophomores Donnie Myers and John Sinclair, both with 10-point-plus scoring marks. The two have about as much experience as the rest of the squad and frequently have been guilty of mistakes. But their coach is a patient man:

"Our coaching staff works hard on individual fundamentals, and these boys will have two varsity seasons behind them when we open next year on our new campus. We're excited about the future prospects," Merrill said.

* * *

Del Merrill and several of his cagers will soon trade sneakers for spikes in anticipation of the varsity baseball opener on April 19 at Curry College. No less than 23 games follow. Last year the team closed with a 14-7 won-lost mark. The 1968 varsity baseball schedule:

VARSITY BASEBALL

APRIL		
19	at Curry	3:00
20	at Nichols	2:00
25	at Eastern Nazarene	3:00
26	at Bryant	2:30
27	at New Haven (2)	1:00
29	Thomas	4:00
30	New Hampshire	3:00
MAY		
1	at Maine Maritime	1:00
4	at Ricker (2) (day-night)	4:00
7	U. of Maine, Portland	4:00
8	at Aroostook State	4:00
11	Aroostook State (2)	1:30
14	Farmington State (2)	2:00
17	Eastern Nazarene (night)	8:00
18	at U. of Maine, Portland	3:30
21	at Thomas (2)	1:30
24	Ricker (night)	8:00
27	Maritime (2)	2:00

Under Coach Dick Vizard last year the varsity golf team blanked all opposition for an 8-0 record, leaving new tutor Pete Tucker in the uncompromising position of trying to match that mark. The linksters open up May 3 at Washington State College in Machias. The schedule:

VARSITY Ggolf

MAY		
3	at Washington State	2:30
6	at Ricker	2:30
9	Washington State	2:30
13	Maine Maritime	2:30
14	Farmington State	2:30
17	NAIA Tournament	
23	Ricker	2:30
25	at Maine Maritime	9:00

Bangor Picks Tony Picard

The Bangor Chapter met in November and elected Tony Picard ('57) its new president. Alden Stuart ('58) will take on the VP role and Nancy McKenney ('59) is secretary-treasurer.

Chapter members heard Dick Cohen, chairman of the Liberal Studies Division, trace curriculum developments the past two years at the College. Members also discussed their role in the Alumni Association.

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Kappa Delta Phi's "As Time Goes By . . ." won this year's first place trophy during Winter Carnival. The Carnival theme for the weekend was "Our Changing Times."