

DECISION LINE

Vol. 37, No. 2

March 2006

Congratulations to Newly Elected 2006-07 DSI Officers



PRESIDENT-ELECT
Kenneth E. Kendall (see photo),
Rutgers University

TREASURER
Janelle Heineke, Boston University

AT-LARGE VICE PRESIDENTS
Vijay R. Kannan, Utah State University

Robert Klassen, University of Western Ontario
G. Keong Leong, University of Nevada-Las Vegas
E. Powell Robinson, Texas A&M University

ASIA-PACIFIC REGIONALLY-ELECTED VICE PRESIDENT
Manus (Johnny) Rungtusanatham, Arizona State University

MEXICO REGIONALLY-ELECTED VICE PRESIDENT
TBD

MIDWEST REGIONALLY-ELECTED VICE PRESIDENT
William J. Tallon, Northern Illinois University

NORTHEAST REGIONALLY-ELECTED VICE PRESIDENT
Shaw Chen, University of Rhode Island

The tabulation of the ballots was conducted and audited by DATAMATX, Atlanta, Georgia. See pages 42-43 for more information on the new officers. ■



PRESIDENT'S LETTER

Some Thoughts on China

Thomas E. Callarman, *Arizona State University*

It's hard to believe that a year has passed. This is my last letter as president of the Decision Sciences Institute, and I will take the opportunity to thank a few people. First, the membership, for having enough confidence in me to elect me as president. In the May issue of *Decision Line*, we will present the accomplishments of the Board of Directors and the Institute during this past year. Second, I'd like to thank the outgoing Board

See **PRESIDENT'S LETTER**, page 43

Inside This Issue

FEATURES

From the Editor. *Decision Line* Editor Keong Leong provides an overview of 37(2) feature articles. **3**

2005 Instructional Innovation Award Competition Winner. A Learner-Centered Capstone Course for a MIS Master's Degree Program," by T. Grandon Gill, University of South Florida. **4**

International Issues. "Current Trends in Offshore Outsourcing—An Insider's Perspective," by David Booth, VMC Consulting, a subsidiary of Volt Information Sciences. **7**

Production/Operations Management. "Transportation and the World Economy," by Michael F. Gorman, University of Dayton. **9**

In the Classroom. "Reverse Engineering Cash Flow Revenues for Forecasting," by Rick Hesse, Feature Editor, Pepperdine University. **13**

Ecommerce. "'Cellelevision' and 'Takeout TV': Literally, TV On-the-Go," by J. P. Shim, Mississippi State University; Julie M. Shim, Cambridge, MA; and Kyungmo Ahn, Kyunghee University. **16**

The Deans' Perspective. "Spotting Quality: A Quality Management View," by Ralph F. Mullin, Central Missouri State University. **19**

Doctoral Student Issues. "How Am I Doing? Checklist for Doctoral Students at Various Stages of Their Program," by Varun Grover, Clemson University. **24**

From the Bookshelf. "Textbook for an Undergraduate Knowledge Management Course," by Wei Zhang, University of Massachusetts, Boston. **27**

SPECIAL REPORTS

Board of Directors Report **15**

Alpha Iota Delta Update **30**

2006 Annual Meeting **32**

DEPARTMENTS

Names in the News **29**

Announcements **31**



Midwest Regionally-Elected
Vice President
William J. Tallon

is interim dean at the College of Business, Northern Illinois University. He holds both a BS in management and MBA in information systems from Northern Illinois University, and a PhD in business administration in operations management from University of Iowa. He is the author of articles in *Decision Sciences*, *Journal of Operations Management*, *International Journal of Operations and Production Management*, *Journal of Business Logistics*, *Journal of High Technology Management Research*, and *International Journal of Logistics Management*. He is also a member of INFORMS, Production/Operations Management Society, American Society for Quality, and Council of Supply Chain Management Professionals.



Northeast Regionally-Elected
Vice President
Shaw Chen

is associate dean of graduate programs and research, professor of management science and director of PACAP Research Center, College of Business Administration, at the University of Rhode Island. He holds a BA in business administration from National Chengchi University, an MA in economics from National Taiwan University, and a PhD in business administration from the University of Michigan. He is the author of articles in *American Statistician*, *European Journal of Operational Research*, *Interfaces*, *International Journal of Production Economics*, *Journal of Product and Brand Management*, *Omega* and others. ■

2006 DSI Annual Meeting
Website Links

DSI Annual Meeting Homepage
www.dsi-2006.org

Online Conference Registration:
www.decisionsciences.org/CIS

PRESIDENT'S LETTER, from page 1

of Directors for their patience, hard work, and dedication to the Institute. The Board was very active, and I think very productive. We had enjoyable, lively discussions, and everyone was willing to participate positively and to inject constructive criticism where necessary. Finally, I'd like to thank the DSI staff, Carol, Sandra, Hal, Andrea, and all of the others who do the "heavy lifting" when it comes to implementing the desires and needs of the membership through the recommendations of the Board. Thanks to all, and good luck to Mark Davis, the incoming president!

In an earlier President's Letter, I promised to provide you with more thoughts on my experiences in China. Thankfully, I waited six months before I began to write these: my reactions to what I see and learn change daily. From 2000-2005, I traveled to China more than a dozen times (if you include Hong Kong, more than 20 since 1999). Most of my stays were of one week or less, some as much as two weeks. I traveled primarily to Beijing and Shanghai, with a few side trips to smaller cities and small villages. I was doing research on the auto industry's supply chain in China and felt that I was beginning to know something about China.

Wrong! China, especially in the eastern cities, is rapidly changing and therefore a dynamic and exciting place. Every day I learn more than I thought I could ever learn about this extraordinary place. Much of my accelerated learning has come from numerous discussions with Professor Linda Sprague (many of them at our research laboratory, the Blue Frog, a local expatriate watering hole) about her experiences in China since she began management education here in 1980. As she describes it, before 1980 there was **no** management education because, under a Marxist Socialist centrally planned economy, topics such as marketing and comparative economics were not acceptable. Through the state planning system the government told the State Owned Enterprises (SOEs) what to do, and they did it. Management decision making . . . forget about it! The job was execution of The Plan.

Today, there are significantly fewer SOEs, and the State Planning Commission no longer exists. In the decades since Deng Xiaoping initiated his *Reform and Opening Up* policy, thousands of Multi National Corporations (MNC's) have arrived, mostly through joint ventures. Many have succeeded, many have failed, but the opportunities are still here. Since

China's acceptance into the World Trade Organization, the number of Wholly Owned Foreign Enterprises (WOFE's) is growing. Most MNCs and WOFEs are in manufacturing, with financial and other services beginning to start up. Because most of the factories have been built in the past decade, the MNCs and WOFEs that I have visited have the most up-to-date processes. Many also use the most recent supply chain (and other fields') practices—as best they can given the state of the country's supply chain infrastructure. Touring one of these factories is much like touring an American, European, or Australian factory: the people are different, but the processes are similar. Chinese manufacturing companies hesitate to let foreigners visit their factories, but after six months in the country and with the help of others, doors are beginning to open.

An interesting characteristic of the MNCs is that they have established their own supply chains in China, often through what amounts to coercion by customers: "We are going to China and will be sourcing locally: you, Ms. Tier 1 Supplier, will locate in China or we will find a substitute." This is both good and bad. It is good in that it has helped the

See **PRESIDENT'S LETTER**, page 44

MNCs become more successful more quickly—or allowed the MNC and its Tier 1 suppliers to fail more quickly—but it is bad because it can inhibit development of local Chinese companies as suppliers to the MNCs.

Finally, don't believe everything you read—in the Western press or in the local press. And don't believe everything you read in the academic literature. Those who conduct surveys in China have to understand that, first, things are changing so rapidly that what you hear

today may not be true tomorrow. Second, the people who answer the surveys may tell you what they think you want to hear, rather than what they really believe. Some suggestions: read the latest books and articles written by people who have been in China for a number of years, but realize that things are changing so fast that the time lag between the writing and publication may cause the information to be out of date. Read the latest books like *One Billion Customers*, published in

2005, keeping in mind that some things have changed. Read publications like the series "Building Political Democracy in China" in the *Beijing Review* (2005). Most of all, come see for yourself. If you have the opportunity to travel to China, do it! But be willing to admit that your short-term visits can only lead to impressions and will not make you an expert on China! ■

Thanks to 2005-2006 Committee Chairs and Coordinators . . .

- **Case Studies Committee**
Jeffrey S. Harper, Indiana State University
- **Development Committee**
Barbara B. Flynn, Wake Forest University
- **Doctoral Student Affairs Committee**
E. James Flynn, Wake Forest University
- **Executive Committee**
Gary L. Ragatz, Michigan State University
- **Fellows Committee**
Kenneth E. Kendall, *Rutgers University*
- **Information Technology Committee**
Subhashish (Sub) Samaddar, Georgia State University
- **Innovative Education Committee**
S. Thomas Foster, Jr., Brigham Young University
- **Investment Advisory Committee**
Cliff T. Ragsdale, Virginia Polytechnic Institute and State University
- **Member Services Committee**
Gary Hackbarth, Iowa State University
- **Nominating Committee**
Gary L. Ragatz, Michigan State University
- **Programs and Meetings Committee**
Madeleine E. Pullman, Cornell University
- **Publications Committee**
Linda G. Sprague, CEIBS
- **Regional Activities Committee**
Mark M. Davis, Bentley College
- **Strategic Planning Committee**
Thomas E. Callarman, Arizona State University
- **Strategic Planning for International Affairs Committee**
Benito E. Flores, Texas A&M University
- **Ad hoc Committee to Investigate the Development of an India Region**
Jatinder (Jeet) N.D. Gupta, University of Alabama in Huntsville
- **Ad hoc Committee on Job Placement Systems**
Cliff T. Ragsdale, Virginia Polytechnic Institute and State University
- **Ad hoc Committee to Redesign the DSI Website**
Thomas E. Callarman, Arizona State University
and
Gary L. Ragatz, Michigan State University
- **Ad hoc Committee on a Research Clearinghouse**
Barbara B. Flynn, Wake Forest University

. . . and Thanks to 2004-06 Outgoing Board Members

- **Past President**
Gary L. Ragatz, *Michigan State University*
- **Treasurer**
Cliff T. Ragsdale, *Virginia Polytechnic Institute and State University*
- **Vice President**
Arnoud DeMeyer, *INSEAD-Singapore-Campus*
- **Vice President**
Janet L. Hartley, *Bowling Green State University*
- **Vice President**
Janelle Heineke, *Boston University*
- **Vice President**
Nada R. Sanders, *Wright State University*
- **Vice President**
Timothy L. Smunt, *Wake Forest University*
- **Vice President**
Charles A. Watts, *John Carroll University* ■