

MIS @ PRICE

THE UNIVERSITY OF OKLAHOMA
COLLEGE OF BUSINESS



NEWSLETTER FALL 2008

The Management Information Systems (MIS) Division of the Michael F. Price College of Business offers undergraduate, masters and doctoral programs, operates a Center for MIS Studies (CMISS) and conducts an active program of scholarly research in the organizational aspects of information technology.

DIVISION HIGHLIGHTS

The MIS program has now been ranked in the **Top 20 programs** in the nation by *US News and World Report* for three consecutive years (2005-'06; 2006-'07; 2007-'08).

An online ranking of research published in journals recognized by the *Financial Times* (hosted by the University of Texas at Dallas at <http://citm.utdallas.edu/utdrankings>) positions the MIS Division **sixth in the nation** for the years 2003-2008.

Our faculty members have received wide acclaim for research and teaching successes. Recent awards include:

- The prestigious George Lynn Cross Research Professorship to professor Bob Zmud for his scholarly achievements
- The Hurley Roberson Award to professor Traci Carte for her teaching excellence and a Fulbright Award supporting her sabbatical research
- The OU Alumni Teaching Award to professors Traci Carte and Mano Ratwatte
- Separate National Science Foundation grants to professors Terrie Shaft and Matt Jensen supporting their research
- Appointment of professor Shaila Miranda as senior editor of *Information Systems Research*, a premier MIS journal

Our academically rigorous MIS curriculum has a problem-solving focus, with a real-world orientation that is characterized by hands-on work with a variety of technologies.

A key element in both our undergraduate and masters degree programs is a capstone course in which student teams implement actual information systems for businesses and non-profit organizations in the region, thereby gaining valuable "real world" experience. Nearly 300 projects have been completed over the past two decades.

The MIS Division, through its Center for MIS Studies (<http://www.cmiss.net>), has established strong relationships with many business organizations and governmental agencies, which support faculty research and teaching activities, engage in student recruiting and provide scholarships and fellowships to MIS majors. Currently, CMISS has 22 member organizations.

Strong ties exist between our students and their employers, including on-campus recruiting, an active internship program, company-sponsored scholarships, frequent lunch-and-learn opportunities involving industry speakers and other corporate outreach activities.

Our undergraduate MIS majors, who are in very heavy demand by employers, have the second highest average starting salary of any major in the Price College of Business (about \$51,000 in 2007-'08).

Total scholarships awarded in 2008 increased to \$68,000 from \$52,000 the previous year (and \$33,000 in 2006) — an increase of more than double the amount awarded in a three year period.

Our student organization, MISSA – the MIS Student Association, proactively fosters student-industry ties by promoting corporate events, company presentations, and student recruiting.

The key to our successes has been our energetic student body, our dedicated faculty, and the strong support we garner from our alumni and other industry ties. Inside, we spotlight one of our current students – Erin Cowee, a faculty member – Matt Jensen, and two notable alumni – Dave Baldwin and Doug Lattner, who will be on campus December 1st and 2nd as an Executive-in-Residence.

STUDENT AND FACULTY SPOTLIGHT



Erin Cowee, Price College of Business MIS Student

Erin Cowee, president of the MIS Student Association (MISSA), has been an active participant in the MIS Division's activities since beginning the program in fall 2005 and has proved to be an invaluable resource to us. A National Merit Scholar, an AP National Scholar, and consistently on the President's Honor Roll at OU, she has found time to assist in the MIS Division's faculty recruitment efforts, serve as a grader and teaching assistant for several faculty members, and be a linchpin for MISSA. As a MISSA officer for two and a half years, she has helped coordinate numerous corporate "Lunch 'n Learns" and social events, as well as the annual MIS Scholarship Banquet. Erin is also a member of the Honors College and is completing her honors research, in which she examines culture and emergent leadership in virtual teams

In addition to excelling in her on-campus commitments, Erin has interned with Exxon Mobil and The Simpson Group. At Exxon Mobil she worked in the security and controls group, improving a pre-existing application to make it more user-friendly. She has also spent a summer studying history and literature at the University College in Cork, Ireland.

Erin is dual-majoring in MIS and Accounting. She is a recipient of the Walmart MIS Scholarship and the Rath Foundation Academic Scholarship. She is a member of the Alpha Lambda Delta Honor Society.

Professor Matthew Jensen is a recent addition to the MIS faculty at Price College. He holds a doctorate from the University of Arizona in MIS and also completed a post-doctoral fellowship at the Center for the Management of Information at the University of Arizona.

Matt's interests include computer-aided decision making, knowledge-management/expert systems, human-computer interaction and computer-mediated communication. He has been an active member of a multi-disciplinary research team investigating credibility and deception and has published several articles and chapters related to computer-assisted credibility assessment. His research has been published in the *Group Decision and Negotiation Journal* and various IEEE journals. His dissertation, entitled "Effects of an Expert System on Novice and Professional Decision Making with Application in Deception Detection", was supported by funding from the Defense Academy for Credibility Assessment.

Matt is currently a co-primary investigator on a \$150,000 project examining hurricane warning systems, funded by the National Science Foundation. The project explores how the public evaluates weather warning messages that are conveyed through various media. Of particular interest is online distribution of weather warnings and how the credibility of those messages is judged. Jensen will be conducting experiments using weather warning materials that will be generated during the initial stages of the project and will be examining how credible, persuasive and actionable those warnings are.

Matt's other projects include an examination of the utility and quality of online product reviews, credibility assessment based on linguistic and lexical features, exploration of professional vs. novice credibility assessment performance (manual and computer-aided) and examination of heuristic versus systematic computer-aided decision making under uncertainty.



Matthew Jensen, Faculty member in the MIS Division at the Price College of Business

OU ALUMNI SPOTLIGHT



Douglas J. Lattner is chairman and CEO of Deloitte Consulting LLP. In his 32 years with Deloitte Consulting, Doug has taken key leadership roles and has served a variety of clients, primarily investor-owned utilities in the electric, gas and telecommunications industries. His leadership responsibilities have included managing director for the Dallas office and regional managing director for the firm's southern region. He also served two terms as leader of the organization's energy practice, consolidating it as a worldwide practice in 1996.

In 1975, Doug joined the consulting practice in the firm's Dallas office. He was promoted to principal in 1985. During his career with the organization, Doug has directed a number of engagements in the United States and around the world. As a leader in the consulting and energy industries, he has extensive experience in strategic and financial consulting. His specific areas of expertise include mergers and acquisitions, corporate restructuring, privatization, the formation of strategic business units, financial planning and controls and organizational analysis.

In 2005, Doug was named one of the "Top 25 Most Influential Consultants" in the country by *Consulting Magazine*. He is a speaker, author, contributor and consultant – sought after for his extensive business, leadership, technical and industry expertise.

A graduate of the University of Oklahoma's Price College of Business, Doug has been an active supporter of the MIS program and an active participant in the Center for MIS Studies. Doug will be on campus as an Executive-in-Residence in early Dec. 2008.



Dave Baldwin is a 1997 graduate of OU's MIS program. He is currently a supervisor in global operations (global web infrastructure) at ConocoPhillips, supervising a team that supports web infrastructure for Intranet, Extranet and Internet applications. He has previously held six different positions over 11 years with ConocoPhillips that have fueled his passion for leading/managing groups in the area of IT infrastructure and have been extremely important to his development.

Upon graduation, Dave began his career as a seismic support analyst, supporting geographical IS applications. He then moved to global server operations, where he became one of the lead Wintel server analysts with responsibilities that included active directory, web infrastructure, server management, storage management and was the infrastructure lead in Denver for six months during the Rocky Mountain Region office startup. His next role in global server operations was where he was instrumental in facilitating system integration during the Phillips - Conoco merger. During this period, he traveled to South China to lead the Windows 2000 infrastructure roll-out in Shekou and was responsible for implementing infrastructure on two off-shore platforms and a floating production storage and offloading vessel. Dave then joined the global firewall team, where he was responsible for global firewall and proxy server support. He executed the Canada Firewall Replacement Project and visited fifteen gas plants located in Alberta and Saskatchewan. His next role was in project services where he was the GOS infrastructure lead for the Burlington Integration Projects. During this assignment he was also given the opportunity to become a project manager and was responsible for the execution of the Exploration Inventory Database Project.

Dave has been involved with recruiting MIS students from the Price College of Business for seven years, serving as the GIS lead recruiter for the last two years. He has also been instrumental in mobilizing ConocoPhillips' scholarship support for MIS students.

SARBANES-OXLEY INFORMATION TECHNOLOGY MATERIAL WEAKNESSES AND THE DISCIPLINING OF THE CEO AND CFO

Adi Masli, University of Arkansas

Vernon J. Richardson, University of Arkansas

Marcia Weidenmier Watson, Mississippi State University

Robert W. Zmud, University of Oklahoma

The main purpose of the Sarbanes-Oxley Act of 2002 (SOX) is to strengthen the confidence of investors in the financial reporting systems and their outputs within publicly-held companies by increasing the accountability of these firms' executives, specifically, a firm's CEO and CFO, given that executives of firms with inadequate financial reporting systems may face disciplinary actions including job terminations and subsequent labor market penalties. A firm's financial reporting systems, however, are inextricably linked to the underlying information systems (including the technology platforms and technical services enabling these information systems) that capture, archive and transform the data elements that serve as inputs into financial reporting systems.

Given that it remains common practice for the CFO and CEO to defer to the CIO on many, if not most, IT-related issues, it might be expected that the CIO, rather than the CEO or CFO, would suffer any negative consequences arising from SOX-related IT-related material weaknesses. In this study, CEO and CFO turnover was examined within three groups of companies: a group identified to having both IT and non-IT material weaknesses, a group having non-IT material weaknesses but no IT material weaknesses, and a group having neither IT nor non-IT material weaknesses. And, CIO turnover was examined within two groups of companies: firms identified as having and not having IT material weaknesses. In addition, the identified IT material weaknesses were placed into seven categories (access controls, application architecture, application controls, application development, general IS/IT controls, IT capabilities and security/recovery) in order to assess the relative importance of these categories on executive turnover.

Results indicate higher levels of CEO, CFO and CIO turnover for firms experiencing IT material weaknesses than observed in firms experiencing only non-IT material weaknesses or no material weaknesses. The analysis focusing on specific categories of IT material weaknesses found those associated with application architecture to be most influential regarding CEO, CFO and CIO turnover; in addition, IT material weaknesses associated with access control were found to be influential as well for CFO turnover.

These results provide convincing evidence that the CEO and CFO along with the CIO are held accountable for serious IT deficiencies associated with firms' financial reporting systems. As a consequence, it would behoove the heedful executive leadership team to assure itself -- so that it can correspondingly assure the firm's stakeholders -- that critical IT activities have been and will continue to be effectively handled. In the case of SOX-related irregularities, these critical IT activities seem to relate to application architecture and access control.