

Is the CoB a Smaller Version of Wal-Mart?

Usmprice.com researchers have identified striking similarities between retail giant Wal-Mart Stores, Inc. and the University of Southern Mississippi's College of Business. In the following report, we outline the similarities between the two.

1. "Rollbacks."

Wal-Mart, Inc. uses a well-known ad campaign. Television commercials show a large, round three dimensional smiley face traversing Wal-Mart stores "rolling back" prices to save customers money. The intended effect is to convince customers that they're getting a better deal by shopping at Wal-Mart.

The CoB also uses "rollbacks," but in a much different way. In the late 1980's through the mid 1990's, the CoB was building a reputation as a quality teaching institution that also carried on quality research projects. Former CoB dean Ty Black even hired a few sparkplugs to jumpstart the CoB's research agenda. Unfortunately, some of the "Good Old Boys" in the CoB couldn't compete in a research-based raise and promotion process, and they "rolled back" the research culture ever so slightly in an effort to allow them to retain what they felt was their share of any rewards. In the 2000's, the CoB has seen the introduction of its own "rollback" icon. Whereas Wal-Mart uses a round, 3D smiley face as its "rollback" symbol, the CoB has Harold Doty, a portly, red-faced SpongeBob SquarePants lookalike, who appears to spend every waking hour thinking of ways to "roll back" the quality of teaching and research in the CoB. By refusing to enforce USM Undergraduate Bulletin guidelines and faculty-initiated systems of prerequisites and by encouraging faculty to give students more do-overs on exams and quizzes, Doty is apparently hoping to convince students that a business degree really isn't harder than an education degree.

2. "Off the clock work"

According to walmartwatch.com, "In 2000, Wal-Mart paid \$50 million to settle a lawsuit that involved 69,000 workers in Colorado who had allegedly been forced to work off the clock. In 2002, a federal grand jury in Oregon found Wal-Mart employees were forced to work off the clock and awarded back pay to 83 workers. In December 2005, Wal-Mart was ordered to pay \$172 million to 116,000 current and former California workers for violating a 2001 state law that requires employers to give 30-minute, unpaid lunch breaks to employees who work at least six hours. In the United States, Wal-Mart has 53 class action lawsuits over wage and hour violations. [New York Times, 11/19/04; Associated Press, 2/17/04; Associated Press, 9/19/05; Associated Press, 12/22/05.]"

In Fall 2005, CoB dean Harold Doty suggested that if CoB staff members wanted to receive above-average evaluations, they should work nights, weekends, and holidays and forego their annual vacation and sick leave. Doty's suggestion led to widespread

displeasure among CoB staffers, many of whom have left the CoB for positions outside the CoB and/or USM.

3. "Discrimination"

According to walmartwatch.com, Wal-Mart faces the world's largest workplace bias lawsuit. "In June 2004, U.S. District Court Judge Martin Jenkins granted class-action status to 1.6 million current and former female Wal-Mart employees who charge the company with paying women less and offering them fewer opportunities for promotion. [Dukes v. Wal-Mart Stores, Inc., No. C01-02252 MJJ (U.S. District Court for the Northern District of California).]" The website goes on to report that "

In Spring 2006, the CoB hired Dana Haggard (Assistant Professor of Management) for \$78,000, less than Brian Gregory (Assistant Professor of Management) was paid in his initial year at USM (2004-05). However, as previously reported at usmpride.com, Gregory was also paid less than Jennifer Sequeira (Assistant Professor of Management), who was hired at the same time as Gregory. It appears that Doty violates court rulings at will, paying Haggard (a female) less than Gregory (a male) and Gregory (a non-minority) less than Sequeira (a minority).

4. "Misusing Public Funds"

According to walmartwatch.com, "A May 2004 report documented how Wal-Mart received more than \$1 billion from at least 244 taxpayer-funded subsidies -- including free or reduced price land, Tax Increment Finance (TIF) districts, infrastructure assistance, property tax breaks, state corporate income tax credits, sales tax rebates, tax-exempt bond financing, enterprise zone status, job training/recruiting funds and general grants. [Mattera and Purinton, Good Jobs First, "Shopping for Subsidies," May 2004]." The website also states that "A federal highway bill signed by President Bush in 2005 included \$35 million to widen Eighth Street in Bentonville -- the road to Wal-Mart's corporate headquarters. The company says it asked U.S. Rep. John Boozman (R-AR) to secure funding -- even though local highway officials said the driveway was not a high priority. [Associated Press, 3/25/05; Arkansas Democrat-Gazette, 8/11/05; Benton Daily Record, 8/21/05]," that "A San Diego development project anchored by a Wal-Mart and a Sam's Club received about \$9.5 million in public subsidies -- yet the stores contribute only about \$800,000 in annual sales tax to the city. [Brennan Center for Justice]," and that "A Penn State report on the economic impact of local subsidies found that "[t]he public costs that [Wal-Mart] imposes by raising the poverty rate suggest that public infrastructure subsidies may not be warranted." [Stephan J. Goetz, Hema Swaminathan, "Wal-Mart and County-Wide Poverty," Social Science Quarterly, 6/06]." Obviously Wal-Mart has pursued every avenue that will allow it to receive benefits, even though it is not increasing the welfare of society through its actions.

The CoB mirrors Wal-Mart in many ways. Doty pushed for the Bureau of Business Research and the Center for Economic Education so that he could create a job for his

wife, Susan Doty, as the “lead educator” for the CEE. The CEE is affiliated with the Mississippi Council on Economic Education, a board on which Doty and several of his Business Advisory Council members sit as directors. Apparently, nothing’s wrong with using taxpayer funds to create a job for your spouse. Second, Farhang Niroomand has used tens of thousands of taxpayer dollars to travel the world, partially affiliated with his U.S. Department of Education grant. When the U.S.D.E. granted Niroomand the money to fund his education project, do you think it envisioned him traveling to China, Japan, France, Iran, Hawaii, etc., or do you think the U.S.D.E. thought Niroomand would use the money to actually educate some Mississippians on International Business? Third, the dirty politics underlying George Carter’s defiling of the USM Faculty Handbook have been recorded at usmpride.com; is there any better example of a spoiled politician than Carter, who uses his position as chair of EFIB to reward supporters and punish opponents? Fourth, Doty violated USM and CoB processes with his “letter of agreement” with Duhon.

5. “Cozying up to Regulators”

According to walmartwatch.com, “An audit by the Office of Inspector General (OIG) of the child labor agreement between Wal-Mart and the Department of Labor found ‘serious breakdowns in the WHD [Department of Labor’s Wage and Hour Division] process for negotiating, developing, and approving such agreements. These breakdowns resulted in the WHD entering into an agreement that gave significant concessions to Wal-Mart. Specifically, the agreement provided for advance notification by WHD of Wal-Mart investigations, and gave Wal-Mart the ability to avoid civil money penalties (CMP) under certain conditions. In exchange, the agreement primarily committed Wal-Mart to continue measures that were already in place or required by law. Also, WHD did not consult with the Office of the Solicitor (SOL) in developing and approving the agreement.’

“Connecticut Attorney General Richard Blumenthal said: ‘This report constitutes an unexpected and virtually unprecedented indictment of the U.S. Department of Labor’s sweetheart deal with Wal-Mart. [It] should lead us to be more vigilant and vigorous in enforcing our state child protection laws.’ [Link to anchored Endnote: U.S. Department of Labor, Office of the Inspector General, Office of Audit, 10/05; Hartford Courant, 11/1/05.]”

Sources inside the CoB Management Team report that Doty’s original plan for AACSB reaffirmation included buying every AACSB visit team member a “bottle of whiskey.” Our sources say that Doty was serious about the wining and dining. Need we say more?

6. “Rewriting...Laws”

According to walmartwatch.com, “‘The Waltons have joined a coterie of wealthy families trying to save fortunes through permanent repeal of the estate tax, government watchdogs say. ... The Waltons declined to discuss their political activities. But a USA TODAY review of public documents reveals a small-town

Arkansas family emerging as a political juggernaut on tax issues, extending Wal-Mart's influence over U.S. society even more.' [USA Today, 4/6/05]" and "Lobbyist disclosure records show the Walton family paid Patton Boggs LLP, an influential Washington-based lobbying firm, \$600,000 since 1999 in an effort to repeal the estate tax. In 2005, the Walton family would have saved \$32.6 billion if the estate tax were repealed. [Public Citizen, "Spending Millions to Save Billions, April 2006]."

Doty, Niroomand, Carter, Babin, Bushardt, LaFleur, and others have rewritten the USM Faculty Handbook, the CoB Faculty Handbook, and other processes to suit their needs and to reward their supporters, including allowing 4th year reviews, "time outs" from tenure clocks, "letters of agreement", dissolving faculty governance committees, etc.

7. "Confidentiality"

According to walmartwatch.com, "Wal-Mart has imposed a wall of silence around its operations, its relationship with its suppliers, even around the operations of its suppliers ...The silence is backed by muscle, the threat of losing business with Wal-Mart. [Charles Fishman, The Wal-Mart Effect, 2006]."

Doty, Niroomand, Carter, Babin, LaFleur and others have used confidentiality arguments to silence and threaten critics in the CoB. In fact, George Carter threatened one EFIB faculty member by stating that he (the EFIB faculty member) was releasing confidential information. As it turns out, the information deemed "confidential" by Carter is publicly available at no charge via an online source. CoB administrators use confidentiality as a club, even when they have to lie to do so.

8. "Deceives Customers"

Wal-Mart collects enormous amounts of information about its customers, even though its own privacy policy states that the company does not do so. The company has misled customers about the sources of products in the past, including telling customers that products actually made in Bangladesh were "Made in the U.S.A."

The CoB does not view the USM Undergraduate Bulletin as a contract with students. Instead, Doty and company think that they can change degree requirements and cancel advertised majors at will. The CoB advertises that it has full-time advisers, yet none of them seems to know what courses are required for what majors, what courses are offered in which semesters, or what courses are appropriate substitutes for required courses not being offered. In all instances, students are being fleeced by CoB administrators, all of whom would rather crawl naked across a mountain of glass than actually deal with a student.

9. Punishment of Dissenters.

Wal-Mart punishes open dissent among employees, including firing those who challenge company policy and who attempt to organize labor.

The CoB has threatened no fewer than four dissenting faculty members with termination. Additionally, dissenters have been given 4-course teaching schedules, 5 day-a-week teaching schedules, multiple preparation teaching schedules, teaching schedules at the USMGC campus for no extra pay, overload courses for no extra pay, artificially low annual evaluations, threats of artificially low annual evaluations, and denial of OSHA and other employment rights.

Is the CoB just a smaller version of Wal-Mart? It appears so. However, the comparisons don't end here.

Wal-Mart doesn't require management employees to have any formal management training from a credible outside source. At the CoB, membership on the Management Team doesn't require having risen through the administrative ranks at any institution, and the management faculty who participate on the Management Team apparently were absent from school the day that management was taught in their graduate programs.

At Wal-Mart, quantity outweighs quality. At the CoB, it's the same.