

November 2014



Fall 2014

Transformation in the Driver's Seat - by Jeff Bounds

For Faurecia—a world leader in auto parts manufacturing—revolutionizing results began by reengineering corporate culture change.

Over the past five years, Faurecia has achieved a great deal. It has doubled its size to reach € 18 billion in 2013 revenues and to become the sixth-largest maker of auto parts in the world, according to *Automotive News*. The company, headquartered in Nanterre, France, operates 320 production sites and 30 research and development centers across the world.

Its customer list includes all the major automakers: Nissan, the Volkswagen Group, Ford, General Motors, and others.

Coming out of the 2008-2009 economic downturn — at a time when many companies were slow to reinvest their resources due to lingering concerns about market instability — the French company's leadership team took a proactive stance, readily identifying areas and processes that were ripe for enhancement.

Doubling the number of employees in just a few years had put a huge strain on the management system. In addition, two major acquisitions had brought different cultures into play, including the doubling of the company's size in North America.

As a consequence, the company had become increasingly top-down and focused on its procedures and reporting. The result was that local managers no longer felt accountable for their performance and decisions had to be passed to the remote headquarters in France.

"We realized that we could experience a fantastic return on investment if we explored ways to empower our employees in a way that didn't feel like the top-down approach other companies sometimes use, which we felt was inefficient and too administrative," says Patrick Koller, Executive Vice President of the Automotive Seating Business Group.

Transformation: Being Faurecia

At the beginning of 2014, Faurecia launched a new initiative dubbed "Being Faurecia" aimed at transforming the company's management style to be one where employees take responsibility both for the targets they are supposed to meet and the ways in which they achieve them.

"We have decentralized our organization," Koller says. "We are trying to simplify and reduce the complexity of our organization wherever possible, and make people autonomous and accountable."

Faurecia has two broad types of divisions, which Koller calls "the key elements of our organization." One division type is regional, meaning managers are in charge of large geographic territories, such as North America, Europe, or China. The other type of division centers on product lines, albeit with global scope. "We make sure we produce products to the same quality level in different locations," says Koller, who also notes that division managers are both accountable and autonomous. Managers are given benchmark targets, and then propose budgets of their own. "We want our managers to behave as entrepreneurs," he adds. They are responsible for the company's assets and for creating value. Be they managers of plants, programs, or customer business units, these entrepreneurs have benchmarks, and they work in concert with corporate leadership to set their targets accordingly. Furthermore, given Faurecia's progressive culture, they have significant flexibility in how to achieve them.

To help deploy the new culture, Faurecia has also nominated "Being Faurecia Champions" in each division who essentially conduct themselves as role models.

"We make them visible so others can understand how to behave and what's expected," Koller says. To get all employees on board, Faurecia managers and executives spread the message about goals and expectations.

"We elaborate with the team so it's their objective," Koller says. "They accept this objective in order to be recognized as a performer in our organization." To chart progress, Faurecia utilizes score cards, which maintain performance scores and the results that each business unit is to achieve. "That's a very useful management tool," Koller says

Refining Its Edge

Although the business launched the Being Faurecia project recently, it has been working for years to hone its innovative edge. Since 2006, it has launched three “think tanks” – collectively called the global xWorks network – in Germany, Shanghai, and Michigan, along with an outpost in Palo Alto.

The think tanks’ purpose is to build relationships with universities, research centers, and other companies with which Faurecia can cooperate on future products, such as automotive seats.

“They fulfill a critical role, helping us to understand consumer needs,” Koller says. Through this network that the think tanks are forging, Faurecia also has what are called “technology scouts” whose job is to keep tabs on products, services, and innovative thinking from newcomers to the market. “We want to explore ways these ideas could create value,” Koller says.

The Challenge of an Evolving Culture

Fewer things are tougher to change at a large corporation than its culture, experts say. “Culture change, by definition, is not for the faint of heart,” says Larry Peters, professor of Management & Leadership Development in the Neeley School of Business at Texas Christian University. “We’re not trying to change one person at a time,” Peters adds. “We’re trying to change all the people [in the business] all the time.”

To succeed, any culture change initiative needs to involve all level of leaders in the business — from executives to the employee on the production line, says Bill Becker, a professor at the Neeley School. “You need to get them to buy in, he says. “Then, leaders should address and understand any concerns their people may have. That’s when they’ll start to believe it.”

“This is the approach taken at Faurecia where the new culture is being deployed in service of real business issues,” says Katerin Le Folcavez, partner at Insigniam.

Accelerated Results

All the work aimed at changing the business seems to be paying off. Koller reports that by mobilizing the right resources in areas like manufacturing and engineering, Faurecia was able to put a new generation of seat mechanisms on the market within four years. “Which is short,” he says. “We’re now producing millions of units per year and the seat mechanism is a key element in safety, so we can’t take any shortcuts.”

“What is also very encouraging is how much the teams at the divisional level now own their targets,” says Le Folcavez. “Prior to the new culture, we had gotten to the point where someone in France was supposed to validate the recruitment of a quality supervisor in Mexico, even if the situation was urgent and within the budget of the plant,” Koller says. Now, local teams are responsible and the number of validations has been slashed from seven to three.

The most notable thing about Faurecia’s overhaul, according to Koller, is how the employees have reacted. “What’s remarkable about this initiative, this cultural shift, is the enthusiasm we’ve generated,” he says. “We’re telling employees that they’re the creators. We’re telling them what the expectations are, and it’s up to them to help transform the company.”

That, in turn, has led to a big change in how management and employees interact. “We’ve been able to improve communication and give better direction to our employees, which has resulted in more trust, greater empowerment, and more autonomy to the people,” Koller says.

Koller also concedes that large-scale, strategic transformations and more granular tactical changes can be difficult for everyone involved. “A few years ago, we weren’t prepared for this,” he says. “It took time to get the results to where we wanted, to have a good chance to perform.”

But even now, he says, the evolution at Faurecia is alive and organic.

“Will it be easy? Not every day. We have to deal with issues related to this significant change,” he says. “But I’m optimistic. People are dealing with this at the right level and with the right understanding.”

Star-Telegram

November 2, 2014

TCU’s Neeley MBA program makes Economist world rankings - by Barry Shlachter

TCU’s Neeley School has proudly announced that it has made the *The Economist’s* 2014 list of best full-time MBA programs for the third year in a row, ranking 38th in the U.S. and 67th in the world.

That beat Southern Methodist University’s Cox School of Business, ranked 48th and 86th respectively.

And when it comes to the expected salary bump a particular MBA lambskin gives a grad, *The Economist* also gives the edge to TCU, which ranks 36th in the world for the percentage increase on pre-MBA salary. By comparison, SMU ranked 88th, Harvard 87th, and the McComb School at the University of Texas at Austin 73rd.

The Economist ranked TCU second in the *world* for MBA faculty quality and 20th for career services. In the “diversity of [corporate] recruiters” category, however, Neeley ranked a hog-whimperingly low 96 out of 100 globally, but still better than SMU’s 98th place. UT-Austin ranked No. 1 in that category.

In other business school news, SMU’s Cox said it is launching a one-year accelerated MBA program that is likely to cost 75 percent less than its regular, 21-month deal. The new 12-month program starts in May 2015 with a Jan. 12 application deadline.

Bill Wempe, an accounting professor who is executive director of Neeley’s graduate programs, said TCU has had a similar program “for years” and added a version to its night school three years ago.



November 2, 2014

SMU, UT, Texas Christian ranked among nation's best MBA programs - by Lance Murray

Southern Methodist University, the University of Texas at Dallas and **Texas Christian University all are ranked among the best full-time MBA programs in the nation in this year's listing by Bloomberg Businessweek.**

SMU was ranked No. 32 on the list, with UT Dallas coming in at No. 41 and TCU at No. 49 out of the 85 programs ranked.

The ranking was led by Duke University's Fuqua School of Business, followed by the University of Pennsylvania's Wharton School.

The University of Texas at Austin's McCombs School of Business was the top-ranked Texas school at No. 23, followed by Rice University in Houston at No. 25.

Other Texas schools making the list were Texas A&M at No. 42 and Texas Tech at No. 74



November 14, 2014

Entrepreneurs to Meet, Compete at TCU Nov. 21-23 for Startup Weekend

Startup Weekend, a 54-hour event where developers, designers and business development executives pitch an idea and launch a business in one weekend, is coming to Fort Worth on November 21-23.

It is a great opportunity to test startup ideas, meet potential co-founders, engage the entrepreneurial community and potentially launch a startup. Startup Weekend in Fort Worth is sponsored by Sabre, **the Texas Christian University Neeley Entrepreneurship Center** and IDEA Works FW.

Those registered (\$99) also will hear keynote speaker Jonathan Coon and the story of his entrepreneurial journey as the founder of 1-800-CONTACTS, which sold in June 2012 for \$900 million.

Startup Weekend Fort Worth will occur during the Global Startup Battle, which was created by Startup Weekend. Hundreds of Startup Weekend and UP Global programs are hosted around the world and winning teams from each event move forward to compete with one another via a global video competition. Global Startup Battle enriches the global entrepreneurial community by creating a sense of inclusion between startup teams around the world.

In Fort Worth, all activities will be on the Texas Christian University campus.

Judges for the Fort Worth competition are:

- Jorge Varela, Assistant Director, TECH Fort Worth

- Robert Sturns, Domestic & International Business Recruitment Manager, City of Fort Worth & Director, Fort Worth Business Assistance Center
- Hayden Blackburn, Director, IDEA Works FW
- **Michael Sherrod, William M. Dickey Entrepreneur in Residence, Director TCU/Coleman Foundation Entrepreneurial Fellows**
- Cameron Cushman, Vice President of Sales and Marketing, PhysAssist Scribes, Inc.

nerdscholar

November 19, 2014

11 Ways to Make Your Senior Year the Best Yet - by Gianna Sen-Gupta

Senior year marks another big transition for every college student. But whether or not you're prepared for the changes you'll soon encounter, you can take comfort in the fact that the job market is looking up for new grads.

According to a new report by the National Association of Colleges and Employers (NACE), "employers plan to hire 8.3 percent more new college graduates from the Class of 2015" than they did last year.

To help you explore your post-graduation options and leave college on a high note, NerdScholar asked the experts to share their best advice for graduating seniors. Here's what they recommend you focus on before commencement day.

1. Join a club or activity you've always wanted to try.

Remember that it's not too late to explore new interests, on or off campus. Join a club you've always wanted to try, enroll in a class you've always wanted to take, or try your hand at volunteering.

2. Take graduate school entrance exams.

Some people wait a few years and gain real world experience before getting their master's degree, while others jump right in after undergrad. But whether you plan to go now or later...Your senior year is an ideal time to take the exams because you'll already be in study mode.

3. Set weekly goals for your job search.

This might include updating your resume, setting up informational interviews, or researching companies you might want to work for. Setting realistic goals in the short-term will make your post-graduation planning feel much more manageable.

4. Consider starting your own business.

If working for others doesn't excite you and you've always dreamed of having your own business, why not start now? **Building your own company is never easy, but it can be worthwhile if you have the drive to pursue it. Tanner Agar, an entrepreneurial management senior at Texas Christian University and founder of The Chef Shelf, says his experience in college enabled him to start his own company. He says the university has given him the resources and ability to meet influential people he might not have met otherwise, including professors and leaders in the community. With all the support you'll receive, college is definitely an ideal place to start a business.**

5. Engage with your professors.

Make the most of your senior year by getting to know the professors in your major. **They can be invaluable resources for any young job seeker. As Agar says, "I get much better value out of my education because I engage with my professors." They can usually lend the best insight into future careers or help you make the right connections to land that first job.**

6. Clean up your resume and cover letter.

You can't begin any job search without first crafting a solid resume and cover letter. Your resume and cover letter tell an employer why you're the right person for the job. But a poorly crafted resume doesn't help your case, especially when many others are vying for the same position. Because many businesses — especially larger corporations — use online resume scanners to sift through resumes first, your resume should include the key attributes you think the company is looking for.

7. Fill experience gaps on your resume.

There are five main attributes employers look for on a resume: communication skills, job experience, leadership, engagement on and off campus, and grade point average. A recent NACE report echoes this sentiment, highlighting that the top quality nearly 80% of employers are looking for in new grads is leadership.

8. Research where you'll want to live after college.

Are openings for the job you're hoping to land only in a specific city? Or are you an East Coast kid who has always wanted to live on the West Coast? Weigh your options and consider what's most important to you after college. Make sure you also consider the financial costs of living in a new place. Paying back student loans and renting an apartment are just a couple of the expenses new grads might have to face.

9. Get on LinkedIn.

Because 97% of employers say they use LinkedIn to recruit new hires, college seniors should definitely get on the social media platform. Use the platform to define your online presence, network with professionals in your future industry, connect with alumni and get to know recruiters at the companies you're interested in. The earlier you start to build your profile, the more it will benefit you in your future job search.

10. Tell your friends and family about your post-graduation plans.

Put the word out about the kind of job you're looking for so that your friends and family know to refer you the next time they hear of a job opening in their network.

11. Take a deep breath and know there is life after college.

Realize that you're prepared and that you're going to be OK, says Azar, who sees many seniors get wrapped up in the stress of graduation and planning for the future. She says it's important to reflect on your college experience and use what you've learned to navigate this new transition into adulthood. More importantly, she says, get excited about your future.



November 21, 2014

Mayor Betsy Price honors students in the Neeley School of Business for taking their work beyond the classroom- *by Lexi Johnson*

Professor Randall Lewis has been integrating service-learning projects into his classes for two years with the goal of helping students learn more about civic duty.

Due to the success the students have had with their projects every year, Mayor Price came Tuesday night to congratulate students for their hard work.

For the service-learning projects, students choose an organization to work with and fully manage a project over the course of the semester.

"What we really love about this is how much impact it has on these organizations, who then serve other people and other organizations, so it's a domino effect," Lewis said.

The projects range from fundraising to holding awareness lectures for students.

"When you give back, you are not just giving up your time, you are gaining pieces of your heart," Price said.

"You are really expanding your knowledge and love for other people and you are the ones who are going to really benefit from that. Always leave a place better than you found it."

During these projects the students have the opportunity to see the importance of the business models they are learning in class as they come to life.

"Not only is it a good way to give back to the community, we are also learning about management at the same time," said Alyssa Crouse, junior fashion merchandising major.

This semester the groups are working with Fort Worth Catholic Charities, the Community Food Bank, Dunbar High School, Impossible Possibilities, the Creative Arts Center, Generation Hope and the Como Community Center.

Monday Nov. 24, Congressman Marc Veasey is coming for the first time to speak to Professor Lewis' class about the importance of the work they are doing.



November 26, 2014

TCU business students participate in service learning projects - *by Layla Abed*

TCU business students are applying lessons they learn in the classroom to real world settings by helping organizations in the Fort Worth community.

The service learning projects have been a part of the Neeley School of Business curriculum for about six years. Randy Lewis, management professor at TCU, and David Gras, entrepreneurship professor at TCU, started it.

The service learning projects allow students to test skills such as management, marketing and negotiating by working with organizations in need of those skills.

“It changes some boring material to interactive material,” Lewis said. “That is usually more fun for the students.”

At the beginning of the semester students enrolled in the classes are given a list of organizations to select from to perform their service learning project.

The organizations include: Fort Worth Catholic Church, Community Food Bank, Dunbar High School, Impossible Possibilities, Creative Arts Center, Como Community Center, The Adera Foundation, and Generation Hope.

“I like that students start to understand how to strategically use the material they are learning in the classroom while having impact in the community,” Lewis said.

Cameron Sadler, a teacher at Dunbar High School, said he appreciates TCU students helping his students on their business projects.

“It sort of removes the box of a classroom,” Sadler said. “That hands on experience and real world experience creates a lot of value for Dunbar students.”

Alexa Aragonez, a junior double major in political science and communication studies, is a student in Lewis’ Survey of Management class. Aragonez helps out at Dunbar High School.

“We are bringing our management skills into a classroom where the students are working on different business projects and we are there to guide them and take their ideas and implement them in the real world,” Aragonez said.

Mayor Betsy Price spoke to the students about the importance of service projects and commitment to the Fort Worth community.

Price said, “They will always remember that a TCU frog was there to help them.”



Megan Becker, senior kinesiology, health and fitness major, helping 2nd grade students at Briscoe Elementary School with the Food and Nutrition Education program. (Photo courtesy of Ashtyn Hurr)

DALLAS BUSINESS JOURNAL

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People



Mary Uhl-Bien, BNSF Railway Endowed Professor of Leadership at Texas Christian University Neeley School of Business

The BNSF Railway Endowed Professor of Leadership is a new position made possible by a strategic investment from BNSF Railway to the **TCU Neeley School of Business**. Dr. Uhl-Bien will teach in the BNSF Next Generation Leadership Program, Executive MBA and Tandy Center for Executive Leadership.