

FROM THE EDITOR'S DESK

Articles for this issue were selected from the Western Decision Sciences Institute's 26th annual conference held in the big island of Hawaii on March 25-29, 1997.

Ethical issues have recently been receiving a lot of attention in both businesses and academia. **WILLIAM E. SHAFER** and **L. JANE PARK** study three groups' (accounting students, staff and public auditors) sensitivity to both ethical and technical issues. Their results indicate that while public accounting experience enhances the ability to recognize technical issues, the same cannot be said for ethical issues.

In the last couple of decades, strong emphasis on and implementation of Total Quality Management (TQM) has changed the manufacturing environment. The question is whether management accounting has kept up with these changes. **RICHARD L. JENSEN**, **CLIFFORD R. SKOUSEN** and **JAMES W. BRACKNER** study eight Shingo manufacturers and find that innovative management accounting practices are most often driven by and run parallel to innovative manufacturing practice. The results have been elimination of accounting wastes such as unnecessary transaction processing, excessive paper handling, outdated controls and procedures.

Self directed work groups have captured increasing interest in recent years. **DAVID F. ELLOY** examines the relationship between self directed work groups and superleader behaviors based on a sample of 90 employees of a government operated railway service in Australia. His findings indicate that fair, trusting and encouraging supervisors contribute to the development of self management. Suggestions include not only involving employees in decision making and problem solving but also integrating empowerment with a culture that supports and encourages this system.

The question of how much inventory to acquire is typically answered by the economic order quantity model (EOQ) under rather restrictive assumptions.

PETER M. ELLIS presents a bivalent mixed integer formulation of the EOQ model that permits both quantity discounts and varying demand. Total material and inventory costs are minimized and the optimal amount of inventory to acquire in each period of the planning horizon is determined.

An application of Data Envelopment Analysis (DEA) is utilized by **PATRICK R. MCMULLEN** to assess the desirability of several AACSB-accredited MBA programs. Of the 188 MBA programs evaluated, seventeen were found to be efficient or near efficient. The results were comparable to those made by *Business Week*, but included some surprises.

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