

# Dividend

University of Michigan Business School

Summer/Fall 1997



Embracing  
Asia

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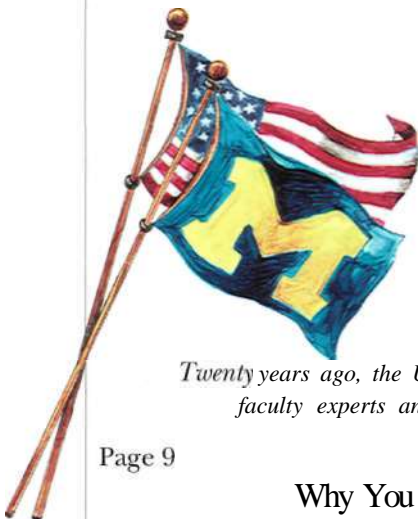
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# A Moment in History...

## Groundbreaking for Sam Wyly Hall

On May 2, 1997, amid much fanfare and jubilation, members of the Business School community celebrated its two most generous donors, William Davidson, BBA'47, and Sam Wyly, MBA, '57, and commemorated the groundbreaking for Sam Wyly Hall, the building that will stand as a monument to their altruism.

What follows is a photo story of the morning's events: The handshake (top, left): Wyly (left) and Davidson meet for the first time on the steps of the Business Administration Building. Looking on is Cheryl Wyly (far left), Dean B. Joseph White and Karen Weidman.

During his remarks, Sam Wyly (top, right) wows the crowd with humor, enthusiasm and heartfelt thanks. "Michigan is a winning team," he exclaims. "I am grateful for what it has given to me."



Pringle Smith (above), former editor of *Dividend* magazine and current editor of special projects, sits beside Ann Arbor Mayor Ingrid Sheldon.

Celebrators (left) occupy every chair arranged under the lawn tent and overrun the sidewalks at the corners of East University and Hill Street to hear the remarks of Dean White, University President Lee Bollinger, Wyly and Davidson. Here, Wyly (far left), Davidson, Weidman, White and David Alger, MBA'68, the Spring 1997 Commencement speaker, listen, with others, to President Bollinger.



Faculty favorites in attendance (top left): Wilbur K. Pierpont, MBA'38/PhD'42, UM vice president and CFO emeritus and professor emeritus of accounting; Paul W. McCracken, Edmund Ezra Day Distinguished Professor Emeritus of Business Administration, Economics and Public Policy; and Alfred L. Edwards, professor emeritus of business administration.

Clad in shirts of maize and blue, members of the University of Michigan Pep Band (top right) delight those in attendance with a performance that included "Hail to the Victors."

The dirt flies (above): White, Bollinger, Wyly and Davidson scoop the first shovels of dirt.

Chocolate mousse adorned with solid chocolate shovels (right) proves to be the *piece de resistance* of the Appreciation Luncheon that followed the groundbreaking festivities.



Photos by Gregory Fox and D.C. Goings

# A

# MONG OURSELVES

## Guardian Industries Pledges \$5 Million for Building

Guardian Industries has pledged \$5 million for the construction of Sam Wyly Hall, the 75,000-square-foot building that will be a permanent home for the William Davidson Institute, a nonprofit, independent, educational institute devoted to the study of transitional economies with headquarters at the Business School, and the School's top-ranked Executive Education Program. **Bill Davidson, BBA '47**, is the president and CEO of Guardian Industries.

"Bill Davidson and Guardian Industries have an important

place in the history of the University of Michigan Business School," Dean B. Joseph White said at the groundbreaking ceremony for the new building on May 2. "Bill Davidson is a visionary philanthropist and he believes in the kind of philanthropy that has tangible and meaningful impact. The Davidson Institute is having impact on the emerging market economies around the world."

This \$5 million gift from the Auburn Hills-based international flat glass manufacturer comes on the heels of a \$30 million gift in 1992 to establish the William Davidson Institute. The Institute delivers hands-on assistance to businesses in emerging markets and works to improve American companies' effec-

tiveness in those economies.

"World class programs need world class facilities," Davidson said during his remarks at the groundbreaking ceremony. "This new building, which will be a home to the William Davidson Institute and the Executive Education Program, will become a gathering place for scholars and business leaders from around the world."

The anticipated completion date for the construction and renovation project is mid-year, 1999. "People like Bill Davidson and Sam Wyly are vital in the growth and development of an institution such as ours," White added. "I speak for the entire Business School community when I say I am immensely grateful to them."



**Bill Davidson**

## Gautam Kaul Named Associate Dean

Effective September 1, 1997, Gautam Kaul, professor of finance, joins the academic leadership team of the University of Michigan Business School for a three-year term as Associate Dean. Along with Dean B. Joseph White, Senior Associate Dean Ted Snyder and Associate Dean George Siedel, Kaul will work closely with the eight-member Executive Committee, comprised of Business School deans and elected faculty members, on all important academic policy and personnel matters.

In his new role, Kaul will serve as Academic Director of the Doctoral Program and Director of the Society of Scholars Program. He also will be responsible for Infor-

mation Resources, which includes Library, Computing and Research Computing. In addition, Kaul will share with Snyder the responsibility for Research Support and the School's research environment. He also will serve as ombudsman for faculty and students.

Kaul joined the Business School faculty in 1985 after earning his doctorate at the University of Chicago. He earned tenure in 1992 and was promoted to full professor in 1993. His research focuses on the effects of inflation on the stock market, market microstructure and the behavior of asset returns.

"Gautam Kaul is an outstanding faculty member," Dean B. Joseph White said



**Gautam Kaul**

when announcing the appointment. "He has been an energetic and constructive chair of the Department of Finance. He is also a superb teacher. This is evidenced by his winning the MBA teaching award in 1996, his suc-

cessful participation in our Executive Education programs and the esteem in which he is held by everyone connected with the School's doctoral programs. I am very pleased to welcome Gautam to a larger leadership role in the school."

Kaul views the appointment as both an honor and a joy. "I am very excited about it," he said. "The Ph.D. program has always been close to my heart, so I will enjoy my expanded role there. The challenges that await me in Information Resources are also extremely exciting. This is—and should be—the most actively changing environment in the Business School. I am happy to know that Joe considers this a top priority at the School."

## Bollinger Delivers 31st Annual McNally Lecture *Intellectual Character of the University Is His Topic*

"I have a strong desire to strengthen our sense of the institution," University of Michigan President Lee Bollinger said to the audience packing Hale Auditorium for the 31st Annual McNally Lecture. "One of the strongest impressions I have returning to the University after a little over two years' absence is the enormously appealing variety and scope of the place. I am overwhelmed by the academic quality of the institution."

On April 8, Lee C. Bollinger, the university's new president, delivered his first major public speech since taking office in February. After a seven-year term as dean of Michigan's Law School, Bollinger left for Dartmouth College in 1994. When he returned to Ann Arbor to become the 12th president of the University, Dean B. Jo-

seph White invited him to deliver the McNally Lecture, a high honor at the Business School. The McNally lecture was established in 1966 to honor the memory of Regent William McNally.

"The University does and should encourage the development of a veiy special intellectual character, or mentality," he continued, "one distinctive in the degree of its desire for openness and exploration and a readiness to engage in a suspension of belief in order to pursue alternative paths of thought."

Bollinger described the current trend in academe that promotes rigorous evaluation and quantification of all facets of the higher education system. Then he shared his own opinions. "What worries me, in sum," he said, "is that the pressures we are feeling today

from the perceived need to impose vigorous standards of review on our activities of teaching and research will ignore, and therefore end up destroying, the subtle tone within the academy that allows for and encourages a kind of extraordinary looseness or freedom to pursue alternative perspectives and sensibilities, to suspend one's beliefs and enter into other possible beliefs and to engage in intellectual risk-taking and exploration."

Those in attendance paid close attention as Bollinger gave suggestions for change. "Over the next several years, I hope we can bring our attentions more to the questions of intellectual character and directions of the University. I intend to pursue a fundraising project directed at building a University-wide

fund for intellectual enhancement. We need active working groups discussing the intellectual strengths and weaknesses of the University and recommending where we should be going."

The University also needs to unite its various campuses and improve its physical presence within the Ann Arbor community, he said. "We live with four or more campuses that seem to plead for greater connections. The athletic fields, the central campus, the Palmer Field area and the medical school campus, and the North campus struggle to be something more than they are. . . . We need a new Master Plan for achieving a true sense of unification. More than a bridge to the 21st century, we need a bridge to Palmer Field—and to the academic centers beyond."

## Business School Welcomes New *Dividend* Editor

With this issue, *Dividend* welcomes its new editor, Cynthia Shaw. She succeeds Pringle Smith, the founder of the magazine and its editor for the past 28 years.

Shaw brings a full range of writing, editing and production experience to the magazine. While a student at the University of Texas at Austin, she began writing and selling feature articles to major newspapers in the state. She has been writing professionally ever since.

Upon her graduation, Shaw joined the staff of *West Texas* magazine. She went on to work as a feature writer for *The Blade* newspaper in

Toledo, Ohio, and to freelance business, health, travel and investigative articles for such papers as the *Detroit Free Press*, *San Antonio Express-News* and *The Christian Science Monitor*. Shaw then became associate editor of *Metropolitan Detroit* magazine. When the magazine was bought and dismantled by Crain Communications, she joined the College of Engineering at Michigan State University as director of publications and public relations. There, she produced the college's award-winning annual reports and brochures.

"I am thrilled to be at the University of Michigan Business School," Shaw says. "It

has been my professional goal to write for a business magazine. As the daughter of a businessman, my fascination with the workings of the business world is long-standing. I am honored to succeed Pringle, and will work hard to continue the great tradition that is *Dividend* magazine."

Pringle Smith has retired from editing the magazine but continues to work part-time at the Business School as the manager of special editorial projects. She and Shaw worked together on the Winter 1997 issue of *Dividend*. With this issue, Shaw takes over full responsibility for the magazine and *Highlights*, the Business School's annual re-



**Cynthia Shaw**

port. "*Dividend* is very fortunate to have Cynthia as its new editor," Smith says. "After being the 'mother' of the magazine for 28 years, I am delighted to be able to hand it over to such a creative and capable new editor. I look forward to reading it for many years to come."

## Tracking Women at the Top

### *Catalyst President Sheila Wellington Addresses the Fifth Annual Women's Forum*

Can a woman with talent and drive who has her eye on the boardroom achieve her goal if she continually surpasses performance expectations? Probably not, says Sheila Wellington, president of Catalyst, the national non-profit research and advisory organization on women's private-sector leadership.

As keynote speaker for the Fifth Annual University of Michigan Business School Women's Forum last March, Wellington offered revealing data on this issue and others. The forum brings together high-ranking women in business, industry, academia and government for a half-day seminar. This

year, the forum addressed board membership as a career strategy (see boxes). Only Wellington's address was open to everyone—students, alumni, faculty, staff and the public.

"Some claim the glass ceiling lies in shattered fragments on corporate and firm floors," Wellington told the near-capacity crowd gathered in Hale Auditorium. "But let me assure you: Our research documents that *this is not the case*. And that is why we do research."

Catalyst, which was founded in 1962 for the express purpose of effecting change for women in the workplace through research and advisory services, re-



Sheila Wellington

## Opening the Door to the Boardroom



Ilene Gordon



Kathy Kosmatka



Mary Maddis



Martha Seger



Gwendolyn Hatten Stanback

The Fifth Annual Women's Forum focused on board membership as a career strategy. Ruby Beale, assistant professor of organizational behavior and human resource management, addressed "Strategic Planning for Personal and Pro-

fessional Success." Wayne Baker, professor of organizational behavior and human resource management and author of *Networking Smart: How to Build Relationships for Personal and Professional Success*, discussed personal networks.

A panel discussion on board membership as a career strategy was led by (left to right): Ilene Gordon, corporate vice president—operations, Tenneco, Inc.; Kathy Kosmatka, partner—tax practice, Deloitte & Touche LLP; Mary Maddis,

vice president of research, Catalyst, panel moderator; Dr. Martha Seger, former Federal Reserve Board Governor and visiting professor of economics, Hillsdale College; and Gwendolyn Hatten Stanback, associate director, Bear Stearns & Co. Inc.



leased a study in 1996 that surveyed more than 1,200 women at the vice president level and above in *Fortune* 1000 companies.

The study, titled *Women in Corporate Leadership: Progress and Prospects*, includes random personal interviews with 20 of the women surveyed and another 20 (mostly male) CEOs. Wellington said Catalyst gained more information from these interviews than any previous study. "It's as if these women were waiting for a chance to tell us what was on their minds."

*"Catalyst wants to place more women in leadership and governance positions in corporations and professional service firms in America."*

- Sheila Wellington

When asked how they succeeded, two strategies prevailed among the women surveyed. The first was consistently exceeding performance expectations. "But," cautioned Wellington, "Catalyst's in-company studies demonstrate that women who rely on superb performance as a sole success strategy often do not get ahead. That's why a second strategy listed by these women is critical: finding a style with which male managers are comfortable. The women in our survey succeeded because they learned the rules of the game."

When Catalyst asked what holds women back, the male CEOs in the survey said the primary problem is that women lack "line management experience." They also said women haven't been in the pipeline long enough.

The women surveyed agreed that lack of line experience is an impediment to advancement, but they listed this reason third, not first. The biggest barriers to advancement, they said, is male stereotyping and exclusion from informal networks. "The issue of glass walls as well as glass ceilings

is an important one," Wellington said.

"It is not sexism, not misogyny, but informal exclusions and stereotyping that hold women back. It is those unexamined assumptions, those outdated practices, those undone programs and policies that are keeping our nation's high-level talent pool from virtually doubling," she said. "Where there is a commitment to women, it manifests itself both with presence of women at the top of the organization and with women on the board."

## What Gets Measured Gets Results ...

Since 1993, Catalyst has produced an annual census of women holding board seats in the *Fortune* 500. Last year, it released for the first time *The 1996 Catalyst Census of Women Corporate Officers and Top Earners of the Fortune 500*. "Catalyst wants to place more women in leadership and governance positions in corporations and professional service firms in America," Sheila Wellington said at the Business School's Fifth Annual Women's Forum. "It is a simple task, but very difficult to achieve."

Findings from these two studies include:

- In 1996, women broke the 10 percent barrier of total board seats on *Fortune* 500 companies, with 10.2 percent of the seats (626 of 6,123 board seats), up from 9.5 percent in 1995, 8.7 percent in 1994 and 8.3 percent in 1993.
- Eighty-three percent of *Fortune* 500 companies (417 companies) have one or more women directors, up from 69 percent in 1993, the year Catalyst began publishing its census.
- Of the top 100 companies of the *Fortune* 500 by revenue, 97 percent have at least one woman on their boards. The top 100 are more than twice as likely to have multiple women directors as the bottom 100.
- Women of color represent 12.6 percent of women board directors (53 directors), holding 1.4 percent of total board seats.
- Fifty-seven women hold the highest-ranking corporate officership positions—2.4 percent of the 2,430 individuals with titles of chairman, vice chairman, chief executive officer, president, chief operating officer, executive vice president.
- Vice president-level titles (executive vice president, senior vice president, vice president) are held by 979 female corporate officers.
- Forty-seven women are among the five most highly compensated officers in each company—1.9 percent of 2,500 top earners.

## Employees Come First at Southwest Airlines

*"The business of our business is people," says Herbert D. Kelleher, the 1997 Business Leadership Award Recipient*

He's been called off-beat, zany, even heretical. But when Herbert D. Kelleher, the unorthodox chairman, president and CEO of Southwest Airlines, points to the bottom line, business people listen.

That explains the standing-room-only crowd in Hale Auditorium when Kelleher came to speak and to receive the Business School's 38th Annual Business Leadership Award last March. Bjorn Haines, president of the Student Government Assoc, presented the award to Kelleher in recognition of his "fresh thinking, innovation, employee empowerment and financial performance that are a beacon for the business world."

Under Kelleher's leadership, Southwest Airlines (SWA) has shown a profit every year since 1973. This includes the shaky period from 1990-94, when the industry as a whole lost \$12.8 billion. Now the country's fourth-largest airline, Dallas-based SWA has grown from three jets to a fleet of 245; from about 100,000 passengers to about 50 million annually; and from 198 employees to about 25,000 employees.

The irreverent, wise-cracking Kelleher remains the driving force behind the company that has redefined competition in the airline industry, set high standards of customer and employee satisfaction, and garnered numerous accolades. According to the University of Michigan Business School's *American Customer*

*Satisfaction Index*, SWA has led all major airlines in customer satisfaction for the last four years, 1994-97. The index is an economic indicator of customer satisfaction for 200 companies in 33 industries, cosponsored by Michigan and the American Society for Quality Control.

"We've enjoyed a lot of success over the past 25 years, and we've done it by putting our people first," Kelleher maintains. "At Southwest Airlines, employ-

*"People don't want to be managed; they want to be led.... The carrot always wins over the stick; just ask your horse."*

ees come first. We treat them like they'll treat the customer. If our own people are happy, they will treat the customer right; and the customer will come back; then we'll all be happy!"

Between the jokes and laughter that filled Hale Auditorium during Kelleher's speech, the audience was treated to a glimpse of his business philosophy:

### On leadership

•"Our focus is on leadership. With us, it's more of an attitude: We try to hire people with great attitudes. Great leaders need a lot of

patience, forbearance and tolerance."

•"People don't want to be managed; they want to be led. Whoever heard of a world manager, a religious manager, a political manager? The carrot always wins over the stick; just ask your horse."

•"We believe nothing compares to leadership by example. Every year I give a message to the field. We talk about what our people have done in terms of leadership. For example, we have pilots who load baggage and board passengers. They are great leaders by example." (Kelleher admitted he, too, loads baggage—every Christmas at the San Antonio, Tex. airport.)

### On communication

•"We emphasize communication, which has become a buzzword now because people don't understand what it means. They think it has to have a formal structure, but it doesn't. We regard everything as part of communication. Communication can be as simple as saying hello to people in the elevator."

•"Employees can understand anything if you communicate well with them. In most cases, when people say employees don't comprehend, it's not the receiver who is at fault, it's the sender who is not communicating well."

•"You really have to believe in an open door policy, not just give it lip service. We make sure our people know



Herbert Kelleher

the general office is there to serve them. We tell them: Our job is to make you look good; it's not your job to make us look good."

•"Explanations are important. You can't just say NO. An explanation without reasons is not good."

### On running a successful business

•"We burn our manuals every five years and start all over. Often we go from 500 pages to maybe just 16. You can get bogged down with an excess of minutiae."

•"We try to have as few rules as possible. We praise and favor inconsistency. In fact, we go out of our way to be inconsistent. Our people have enormous latitude as to what they do and how they do it. We tell them: Do what you think is right. Lean toward—not away—from the customer."

•"A sense of humor is important; it relieves strain and gives you a sense of proportion."

•"Gratitude [toward employees] is something we express all the time. We let them know we don't just value them as workers, we value them as people."

# racing Asia

*Twenty year's 'ago, the University of Michigan Business School made a commitment to Asia. Today, its critical mass of faculty experts and corporate partners, coupled with its access to the University's world-class Asian Studies resources, sets it apart—and ahead—of all other American business schools.*

**P**ick up any newspaper or magazine, turn on network television or your radio and almost everyone will be talking about Asia. With the spectacular handover of Hong Kong by the British to the Chinese now a vivid memory, the stream of debate surrounding the United States' role in Asia has reached a discordant pitch. Everywhere except the University of Michigan Business School. Long before Margaret Thatcher ever contemplated returning the Asian jewel in Britain's crown to the late Deng Xiaoping, the Business School was actively building its presence in and expertise on the largest continent in the world.

"Faculty represent the heart of any higher education program," says Bradley Farnsworth, director of the federally funded Center for Interna-

tional Business Education located at the Business School. "Cultivating faculty expertise in a particular area takes time and care. Michigan expertise in Asia, which is the product of much time and care, is greater than any other top American business school."

As the world readies for the turn of the century—one repeatedly predicted to be the Asian Century—the Business School is actively building upon its leadership position in the region. It has the faculty, the corporate partnerships and the school-wide commitment. It also has access to all that is the University of Michigan—indisputably one of the preeminent universities in the world for Asian Studies. Students, for example, have the unheard-of opportunity to study any one of 14 Asian languages (see box, page 12) at the University while pursuing their business degrees.



devoted to the study of transitional economies. It offers project- and business-based assistance to businesses operating in the transitional economies of Eastern Europe, the former Soviet Union, Latin America and Asia. In June, the Institute organized a trip to Vietnam for Dean B. Joseph White, Senior Associate Dean Snyder and Davidson Institute Director Jan Svejnar. The threesome met with executives from Vinacoal, the country's state-owned coal company, as well as the U.S. ambassador to Vietnam; government, business and education leaders; and two MBA students, selected as Davidson Institute Fellows for summer internships in Vietnam. The trip celebrated the Business School's two-year relationship in the country. The Davidson Institute has provided executive education-level training at Vinacoal, and two MBA teams completed important, in-company projects there. "Our presence in Vietnam—and throughout Asia—is highly valuable to and for students, faculty and corporate recruiters," Svejnar says.

To facilitate activities in Asia, the Business School opened a permanent satellite office in Hong Kong in March. The office serves as an immediate point of contact in the region. It represents the Global MBA Program, provides front-line management of the Executive Education Programs and assists with coordination of outreach activities like those sponsored by the Davidson Institute. The office also is home to the Asia-Pacific Human Resource Partnership, a newly formed consortium of senior Asian, American and European human resource executives from 30 major companies that operate in the region, including AlliedSignal, Digital Equipment, General Motors, Samsung, Sony, Honda, Philips Electronics and Volkswagen. The group meets twice a year to engage in high-level discussion, benchmark one another and identify and share best-practice information. **Arthur Yeung, PhD '90**, is the director of the office. "The opening of this office is a very natural next step in Michigan's commitment to expertise and education in Asia," White says. "It is also a natural next step in the Business School's deep and permanent commitment to management education and development in this part of the world."

*The Asia-Pacific Human Resource Partnership is a newly formed consortium of senior Asian, American and European human resource executives from 30 major companies that operate in the region.*

*Students: The Heart of the Enterprise*

Ultimately, the wealth of the faculty and the corporate partnerships plays out in the students' learning environment. At the Business School, that means the classroom and the in-company settings. The University of Michigan is one of the few universities in the world, if not the only, that has both a business school and an Asian Studies Program that is ranked among the best in the world. It is the only university that integrates these strengths into degree programs for the five major economic regions of Asia—Japan, China, South Asia, Korea and Southeast Asia.

Through the Business School's Asian Business Program students can earn MBA degrees with specific areas of emphasis in Asian business while completing masters degrees in Chinese, Japanese, South Asian or Southeast Asian Studies. There also is a certificate program option for those interested in Korean Studies.

Since 1990, the Business School has hosted an annual Asian Business Conference. Organized by MBA and joint degree students and faculty advisors, the full-day conference brings together students, faculty and industry executives for discussion, debate and networking activities. The 1997 conference, "Investment Strategies for Emerging Asian Markets," included three concurrent panel discussions on the markets of India,

China and ASEAN—the Association for Southeast Asian Nations. Representatives from a cross-section of industries were involved in the discussions.

It is precisely these on-campus opportunities coupled with off-campus in-company learning that forms the central core of the Business School's mission to provide superior general management education. Last winter term, for example, 56 companies sponsored in-company multidisciplinary action projects. Thirty-three of the projects were outside the United States with a significant number in Asia—the continent containing half the world's population and accounting for nearly twice as much world trade as Japan. It is this level of activity and the commitment it represents that makes the University of Michigan Business School ready for the Asian Century. Embracing Asia many, many years ago was the right decision. The Business School has the faculty, the corporate partners and the ever-expanding world class alumni base to serve it well. •



# The Indian & Chinese Diasporas

Understanding Asia:  
Languages You Can  
Learn at the University

## THE INDIAN MIGRATION:

### STATES WITH SIGNIFICANT COMMUNITIES OF INDIANS

- |               |             |                      |
|---------------|-------------|----------------------|
| • Afghanistan | • Jamaica   | South Africa         |
| • Australia   | • Kenya     | Sri Lanka            |
| • Bangladesh  | • Lebanon   | St Lucia             |
| • Bhutan      | • Libya     | St Vincent           |
| • Brunei      | • Malaysia  | Suriname             |
| • Canada      | • Mauritius | Tanzania             |
| • Fiji        | • Myanmar   | Trinidad & Tobago    |
| • Guadeloupe  | • Nepal     | United Arab Emirates |
| • Guyana      | • Pakistan  | Uganda               |
| • Hong Kong   | • Reunion   | United Kingdom       |
| • India       | • Singapore | United States        |
|               |             | Zambia               |

## THE CHINESE MIGRATION:

### STATES WITH SIGNIFICANT COMMUNITIES OF CHINESE

- |              |             |                     |
|--------------|-------------|---------------------|
| • Australia  | Italy       | ● Singapore         |
| • Brunei     | • Jamaica   | ● Suriname          |
| • Cambodia   | • Malaysia  | Taiwan              |
| • Canada     | Mongolia    | Thailand            |
| • China      | • Myanmar   | ● Trinidad & Tobago |
| • Costa Rica | Paraguay    | ● United Kingdom    |
| • Indonesia  | Philippines | ● United States     |
|              |             | Vietnam             |

- I INDIANS
- CHINESE
- INDIAN AND CHINESE

## East Asia:

- Classical Chinese
- Classical Japanese
- Korean
- Modern Chinese
- Modern Japanese

## South Asia:

- Hindi-Urdu (India)
- Punjabi (India)
- Sanskrit (India; dead language)
- Tamil (India)
- Tibetan

## Southeast Asia:

- Indonesian
- Tagalog (Philippines)
- Thai
- Vietnamese

Source: *The State of the World Atlas* by Michael Kidron and Ronald Segal (London: Penguin Books, 1995).

# Why You Should Care About Asia

Four scholars agree: The U.S. stands only to gain by embracing Asia. Gain profits. Gain power. And, most importantly, gain peace.



## Want Peace? Think Trade

For me, the most interesting starting point for a discussion on Asia is the fall of the Berlin Wall. That event enabled approximately 3.5 billion people to join the free markets of the world. It marked the collapse of an ideology that had substantially influenced the way people thought about how to succeed and how to create a just society. Today, no one is debating whether or not socialism or Communism is good. Instead, everyone the world over is discussing how fast and by what process nations can

transform themselves into market-based societies.

Who would have imagined, 15 years ago, that China would become a major trading partner of the United States? I predict that China will become our biggest trading partner, quickly surpassing Japan. Since most of the countries of Asia are starting with a minimum of infrastructure—ports, roads, telecommunications, power, environmental protections—there is an extraordinary opportunity for American companies to participate in building these systems. In power and in telecommunications, China is one of the largest growth markets in the world. India is emerging as a significant market as well. Even in consumer goods like soft drinks or personal care products, there are huge opportunities in Asia. I do not mean *easy* opportunities. They are *large* opportunities.

Perceptions of Asia in the West are evolving. For example, from the time of the early colonizers in the 1700s, Eastern civilization has been viewed in the West as

*continued next page*



## Michigan: The Right Stuff for the Asian Century

LINDA LIM is an Associate Professor of Business Administration and the director of the Business School's Southeast Asia Business Program. She teaches "Business in Asia" and "The World Economy" and initiated and serves as the faculty advisor for the Business School's annual Asia Business Conference. Lim is editor of the *Journal of Asian Business* and has been published widely. Her most recent article, "Asia 2000," was published in the March-April 1997 issue of *The China Business Review*.

Ann Arbor is the center of the world for Asian studies," an academic from a prestigious university in France once told me. He is correct. The University of Michigan is probably the number-one institution in the world on Asian Studies. Its ties to the region go back more than 100 years. For example, in 1898 when the United States took possession of all Spain's colonies after the Spanish-American War, the first U.S. administration dispatched to the Philippines, the largest colony, included a UM

faculty member. More than a century of ongoing scholarly activity throughout Asia has enabled the university to amass an unparalleled collection of resources and connections. The Association for Asian Studies, an independent international association for Asian Studies scholars, has its headquarters in Ann Arbor. At the University of Michigan, students can study the region, and, more importantly, they can learn its languages—14 different languages to be exact. At the Business School, MBA students may pursue joint degrees in business and Chinese, Japanese, South Asian or Southeast Asian Studies. The general MBA curriculum offers three elective courses on business in different parts of Asia. I do not think any other top business school in the country does this on a regular basis.

Few disagree that the coming century will be the Asian century just as the 20th century was the American cen-

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a lesser civilization. Since the Korean War, it has served as a source of cheap labor. More recently, the East has been viewed as a market for Western products. Few today think of China or India as a home of global competitors. It is terribly important for us—for world peace as well as for world trade—to come to terms with the fact that our Asian counterparts are our equals. We must overcome the fear of dealing with people who are different. Now, more than ever, there is a need for understanding and for working together toward shared solutions. For me, world trade is an alternative to the Cold War.

The best way to create peace is to create interdependence. When nations are interdependent, they cannot shoot at one another because if either does, both will die. Let me give you an example. Sundaram Fasteners is an Indian multinational supplier of auto parts. This year the company was elected the best supplier for General Motors Worldwide. It is in the best interests of both corporations—and both countries—that each prospers.

I must also add that China and India are both great military powers. If there is ever going to be an attempt at world domination, it may come from China or the Indian subcontinent. So there are more reasons than just trade to establish an active dialogue between the West and East.

Approximately 2.5 billion people live in Indonesia, China and India. That is half the world's population. We cannot ignore half the world's population. My long-term interest in Asia stems from the belief that creating a bridge between the United States and Asia is as critical to trade as it is to peace.

Asia is undergoing its own transition from dependence to interdependence. The nations of the East have a difficult time dealing with the West. Interdependence is a relationship among equals. Asian countries are not used to dealing with the West as equals. Japan still has problems after 50 years. Both the West and the East are going through fairly dramatic shifts in their perceptions of one another. My sense is that both have to learn.

The United States will continue to be the number-one power in the world; there is no question in my mind. I do believe, however, that if we get deeply engaged in Asia, there will be significant opportunities for learning and innovation. As an academic institution, we can help bridge the divide between Asia and the United States. As a world-class business school, we can foster economic growth. We teach people how to create wealth and how to compete in the global economy. In doing so, we are working to increase interdependencies among the people, companies and countries of the world.

If we think of our work as creating or building a better world through a shared understanding of how to create wealth for global prosperity, then our relationship with Asia becomes an integral part of our mission as a school. This, I think, is very exciting. •

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ture. Because of the resources and expertise found at the University of Michigan and its Business School, this new Asian century offers us the challenge and the reward of educating generations of business people who are truly familiar with other languages and cultures—business leaders capable of shaping the economies of the world.

The return of Hong Kong by the British to the Chinese this summer marked the symbolic end of 500 years of Western domination of the world economy and of Asia. For Hong Kong, the hand-over represented an exchange of one sovereign power for another. For the United States this transition may stand for much more.

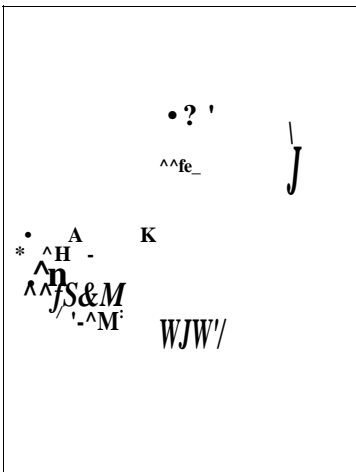
*"I believe future economic influence and business leadership -will reside ivith those who are truly familiar with other societies and their business operations."*

Although the U.S. is and always will be a superpower—the leading military power and the largest economy for at least another quarter century and one of the world's richest countries—it will increasingly have to share its place at the center of the world economy. European countries accepted the fact long ago that they are no longer superpowers. Like most other countries, they can play by other people's rules. They can be accommodating. Because the United States is a dominant hegemonic power, it often doesn't think it has to adjust to others. But it does.

As Asia's prominence in global business and politics increases, Americans' knowledge of the region and its people must increase also if they are going to participate fully and effectively in this dynamic region. Education offers Americans the knowledge they need for success in the next century; learning the nuances of different cultures and languages is part of this. With skilled use of such knowledge, Americans will be able to participate in global commerce and politics as true partners with other nations.

I believe future economic influence and business leadership will reside with those who are truly familiar with other societies and their business operations. My goal is to educate ever-increasing numbers of business students who will know the languages and diverse cultures of Asia and understand the mindset of Asian customers and competitors. The University of Michigan and its Business School are in the enviable position of already having the necessary resources to do just this. •





## Our Struggle with China Is Really with Ourselves

Why do we, the most powerful nation on the planet, have so much trouble developing a constructive, long-term strategy for dealing with China? The answer lies in our historical struggle over the purpose of American foreign policy.

Should American foreign policy be one of pragmatism, of *realpolitik* that meets our needs for security, diplomatic leverage, economic development and protection of American interests abroad? Or should it be a policy of zealous moralism, one that makes

the spreading of democracy and freedom its first priority?

This, we have never decided. Instead, through much of our recent history, we have managed to achieve both ends. During the Cold War, confronting and defeating the Soviet Bloc was a moral imperative. Any pragmatic policy that contributed to that end met the test of being moral. For example, the United States ardently supported Mobutu Sese Seko in Zaire, one of the world's great kleptomaniacs and a massive violator of human rights. His behavior did not make a difference; he was anti-Soviet. And despite the fact that Indonesian President Suharto slaughtered half a million civilian citizens—almost all of whom were Chinese because the Communist Party in Indonesia was dominated by the Chinese—he was considered a good anti-Communist leader by the U.S.

Think back: In the 1980s, China was heralded as the only radically reforming Communist country in the world. Earlier, in 1978, *Time* magazine celebrated Deng Xiaoping as the Man of the Year for his sweeping economic reforms. Then, on June 4, 1989, there was the Tiananmen Square massacre that shocked the world. In the next six months, the entire Soviet empire collapsed. In the next two years, the Soviet Union itself collapsed.

With this climactic change, the great fulcrum of American foreign policy—squelching Communism—ceased to exist. The disappearance of Communism made the

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**E. HAN KIM** is the Fred M. Taylor Professor of Business Administration and Professor of Finance and International Business, director of the Mitsui Life Financial Research Center, director of the NTT Program of Asian Finance and Economics and director of the Michigan Global MBA Program for The Daewoo Group. He has written more than 50 articles on corporate finance and teaches corporate finance in the MBA and Executive Education programs.

rapidly. The countries of Asia need what we have to offer. We can make a vital difference there. But in order to do so we must first of all be cognizant of the Asian economic environment. We have to be a part of their world.

That is happening at the Business School. For example in 1990, Mitsui Mutual Life Insurance—one of the largest life insurance companies in Japan—gave the Business School \$3 million to establish a research center to study Asian finance and economics. The goal of the Mitsui Life Financial Research Center is to encourage research in Asian markets and to understand how world events, specifically U. S. events, affect the Asian economies and how the Asian economies affect global markets. To achieve this, the Center sponsors research by Michigan faculty and doctoral students and holds periodic symposia on financial topics relating to Pacific Rim countries. It also supports Japanese scholars in residence at the Business School.

The Mitsui Center's activities raised the profile of the Business School in Japan, and helped us to build a relationship with Nippon Telephone and Telegraph. This, in turn led to a \$1.5 million gift in 1995 to establish the NTT Program of Asian Finance and Economics. NTT is the largest company in Japan and is the Japanese equivalent of AT&T. The NTT Program's objectives are virtually identical to those of the Mitsui Center, and the means for achieving those objectives are complementary. Each year, the NTT Program alternates between funding

## Going Global is a Faculty Affair

We are talking about a part of the globe where more than half the world's population lives and where most of the world's economic growth is taking place. I want us to be a part of that—a part of Asia. Our job, at the University of Michigan Business School, is to expand the boundaries of knowledge and incorporate those advances into managerial expertise. Countries are most in need of state-of-the-art managerial tools when their markets are growing

rapidly. The countries of Asia need what we have to offer. We can make a vital difference there. But in order to do so we must first of all be cognizant of the Asian economic environment. We have to be a part of their world.

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United States' moral leadership role—to us—all the more important. People of the world, we believe, looked to us to spread democracy and freedom. Suddenly our values became the sole basis for our foreign policy.

This, I think, is a serious mistake, especially in our dealings with China in the Post Cold War era. China publicly violated our national values at Tiananmen Square. But in reality national values and national interests are identical only at home. At home, our interests are in preserving the democratic system with a high degree of human rights and extraordinary personal freedom. When we go abroad, however, our values and our interests do not coincide in any precise fashion. Our internal struggle on this issue has caused our position throughout Asia to erode for the simple reason that no other country wholly conflates values and interests. All seven leading industrialized nations were deeply offended by Tiananmen Square. However, six of the seven—Canada, France, Germany, Italy, Japan and the United Kingdom—never lost sight of their long-term interests in the region. Only we did.

*"By any imaginable measure, America is the big winner in globalization."*

When it comes to China and the whole of Asia, there is only one critical question, Will the United States be a part of this region's ascent? If we are not a part of it, I would argue our own future economy will fare much worse. Asia represents rapidly expanding markets. Some political leaders in the U.S. advocate a protectionist approach to the world. They say globalization of the economy is inevitably unsettling and painful to everyone because it causes dislocations. They are right; the transition is not easy.

But by any imaginable measure, America is the big winner in globalization. We have the technologies, we have the capital, we have the capital markets and we have the know-how that simply puts us way ahead in that process. In my opinion, the only way the United States can shift from a values-based foreign policy to a foreign policy that properly balances values and interests is if the White House takes the lead. It will take nothing less than a major presidential initiative to turn this situation around.

My worry is that if we do not make this policy change in the very near term—if we do not resolve our internal struggle over the purpose of American foreign policy—we may stumble into an otherwise-avoidable Cold War with China that would reverberate throughout the whole of Asia. If that happens, it will represent a monumental policy failure in Washington and in China too. It will divide Asia and leave the United States with no secure allies. This possible outcome would represent, in my opinion, the result of a dangerous myopia.

*KIM continued*

one or two fellowships for Business School faculty and/or doctoral students conducting Asian-related research and sponsoring a visiting scholar-in-residence from Asia at the Business School.

Both the NTT Program and the Mitsui Life Financial Research Center foster the development of greater awareness and expertise on both sides of the Pacific by facilitating an essential, up-close, cross-cultural and cross-market exchange of information. The results of these efforts infuse undergraduate, graduate and Executive

*"In 1995, at the request of Daewoo's chairman, Kim Woo-Choong, the Business School developed an MBA program for rising stars within this multinational conglomerate."*

Education curricula because of the faculty involvement in all aspects of these endeavors.

I think that most faculty at the University of Michigan Business School already have an international orientation. What is needed to truly succeed in Asia is also a global cultural orientation. By this I mean the experiential cultural awareness necessary for true cooperation and effective teaching.

Many of you are aware of the Business School's relationship with The Daewoo Group, one of the largest corporations in the world with 1996 sales of \$60 billion. In 1995, at the request of Daewoo's chairman, Kim Woo-Choong, who is a member of our visiting committee, the Business School developed an MBA program for rising stars within this multinational conglomerate. The students, most of whom are in their mid 30's, must meet our rigorous entrance and graduation requirements. There is no difference in the quality of the degree. But the process for attaining the degree is different from that experienced by traditional MBA students studying in Ann Arbor. Daewoo executives learn by satellite and advanced video conferencing coupled with on-site teaching by Business School faculty, two semesters in Ann Arbor, and a final in-company project at a Daewoo site in Seoul.

This intense interaction of Michigan faculty and Daewoo managers on two continents in two distinct cultures has succeeded not only in training future business leaders for this major multinational corporation but also furthering tremendously the Business School's efforts to enhance the global awareness of our faculty. I believe this globalization of our faculty is critical to our mission and to our success as a consistently top-ranked Business School in the next century. You can only globalize the curriculum when you globalize the faculty.

# Destiny and William Davidson Institute Bring Chinese Journalist to Michigan

Should you meet Jin Weiyi, a William Davidson Institute Business Journalism Fellow from the highest-ranked television station in Shanghai, the first thing he will tell you is that destiny brought him to the University of Michigan.

Before leaving China, this 30-year-old anchorman and award-winning business reporter pulled out a trusted friend, the textbook he had used to learn English many years before, and was stunned to see on the familiar title page something he had never noticed: *Ann Arbor, The University of Michigan Press*. "I couldn't believe it," he says, still amazed at the coincidence. "After all these years, that is where I was going."

Just as Jin is certain his destiny is linked to UM, he also believes that China's future and that of the U.S. are connected. He is not alone in this thinking. University of Michigan Business School scholars and corporate friends worldwide are convinced the nation's long-term economic health is tied to China and the whole of Asia.

It is precisely because of this that the William Davidson Institute—a nonprofit, independent, educational institute devoted to the study of transitional economies headquartered at the Business School—developed a special fellowship program for journalists from countries in the throes of economic change. "A key aspect of a transitional economy—and market-driven economies, too—is the free flow of information," says Hans-Christian Brechbuhl, managing director of the Institute. "Jin is our first journalist to come from a news organ that is owned by the Chinese government. Journalism is a key vehicle for educating the general public. The better Jin understands market economies, the better he can transfer this business knowledge to the Chinese people."

Jin began his four-month crash course in free markets the moment he arrived at Detroit's Metro Airport. The lessons continued non-stop both inside the classroom and out. Finding an apartment was his first challenge. "You come here, to this country, by yourself and then you have to talk to a lot of strange persons [in order to find an apartment]. It is very difficult," he says. "In Shanghai, you never have to pick up a phone to call a stranger to ask, 'Do you have an apartment?' Even if you come from other Chinese states, you don't have to find an apartment owned by a private person. Everything is state-owned."

Jin quickly cleared this hurdle, feeling quite thrilled with his new-found home-hunting skills. "We find the process of finding a place to live to be particularly instructive for the fellows," says Brechbuhl. "We considered providing more assistance but concluded the



**NAME:** Jin Weiyi

**AGE:** 30

**HOME:** Shanghai, China

**OCCUPATION:** Television anchorman and award-winning business journalist for Shanghai Television Station, the largest television station in East China and one of the largest in all of China with 100 million viewers.

**PROFESSIONAL INTERESTS:** He is writing a book on the psychology of television audiences in anticipation of ever-greater competition among Chinese television stations. "The research of audience psychology is almost a blank in China and few overseas references concerning the topic are available in the country."

**PROFESSIONAL GOAL:** "I expect to integrate knowledge and experience acquired through the [fellowship] program with the situation in China, in a bid to make my contribution to a more objective and responsible media in China."

**LENGTH OF STAY IN THE U.S.:** Four months at the University of Michigan; six weeks traveling to New York City, Washington D.C., San Francisco and Los Angeles.

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exercise is too valuable, in terms of experiencing a competitive marketplace, to curtail."

In the classroom from January until April, Jin studied Transitional Economies of Russia and Eastern Europe with Jan Svejnar, the director of the Davidson Institute and the Everett E. Berg Professor of Business Administration and professor of international business and business economics. He wanted to understand how other Communist countries are bringing about economic change. He also took The Great Chinese Economy at UM's School for Literature, Science and the Arts. "I wanted to study in this class because I think I should learn the American view toward China's economy," he says.

Jin also furthered his research on the psychology of television audiences for a book he began writing before he was offered the fellowship. He is enamored with the concept of competition particularly within the media and wants a hand at fueling it. In the autobiography he submitted to the Institute as part of the application process, he writes: "I think people have an inviolable right to know the truth and a journalist has a sacred mission to reveal the truth. But this is just the most difficult part of being a journalist in China....Take my own experience, for example. I have been asked to play up stock price surges and play down price plunges because some officials think price falls might be associated with problems in the country's economy and might be negative to social stability. Such practice could do nothing but undermine the public's trust of the mass media, which would do the government no good. The situation has to be changed."

For countless years, Jin says there have been two metaphors that have characterized Communist life in China. The first is "Da Guo Fan." This translates as "Big Rice Wok" and means that with a government-controlled economy no one will starve. Everyone will always find food in the big rice wok. No promises are made regarding the quality or the quantity of food, only that because of the benevolent wok, everyone will eat. Similarly, Tie Fan Wan, which rhymes with Da Guo Fan, means "Iron Bowl" and describes the security of one's job—as strong as iron. Like the Big Rice Wok, the Iron Bowl guarantees only a job. Employment satisfaction, opportunity for advancement and salary increases are irrelevant. But ever since the late Deng Xiaoping, the father of China's economic reforms, first initiated change in the Communist country, the two metaphors have undergone their own change. "Since the 1980s, there is a new popular saying in China, 'Dapuo Da guo fan, Duandiao Tie fan wan.'" says Jin. "This means 'Smash the Big Rice Wok, Take Away the Iron Bowl.'"

Given that television has only been in existence in China for about 20 years and transition to a market economy only 10 years underway, business news reporting for television is relatively new. Jin, with his five years experience, is considered a senior business reporter. The William Davidson Institute sponsored him, as is their practice, as a Michigan Journalism Fellow. The Michigan Journalism Fellowship is one of the three most prestigious mid-career opportunities for journalists in this country. To win this dual fellowship—as he has—a foreign journalist must be of the first order.

*Jin has interviewed Alan Greenspan, chairman of the Federal Reserve Board, and William Donaldson, chairman of the New York Stock Exchange. He also has interviewed Chinese President Jiang Zemin. But it was his coverage of the 1995 National Peoples Congress that won for him a major broadcast news award.*

Jin has interviewed Alan Greenspan, chairman of the Federal Reserve Board, and William Donaldson, chairman of the New York Stock Exchange. He also has interviewed Chinese President Jiang Zemin. But it was his coverage of the 1995 National Peoples Congress that won for him a major broadcast news award. At one session, the vice mayor of Shanghai, the person responsible for the Pudong New Area, the largest economic development zone in China, held up a political cartoon from the *Boston Globe*. It was a picture of a Chinese hand using chop sticks to pick up the flag of the United States. The vice mayor interpreted for his audience the meaning of the cartoon. It asks, he said, "Should other countries be afraid of a strong China?"

President Zemin was in attendance. He acknowledged that many countries are afraid of a strong China. Then he went on to counter this logic. "If the Chinese people, all one billion of them, have no food, they will be rushing to other borders," Zemin said to the assemblage. "But if China is strong, it will be a country of peace and stability."

Jin reported this story. He was the only journalist to do so and for it he won a major prize. "I am not the man to make economic reform," Jin says, "but I can influence it with my program."

# The Modern Firm: Is There Liberty and Justice for All?

Business Leaders  
and Scholars  
Debate the Funda-  
mental Questions  
of Corporate  
Governance in  
a Four-Month  
Seminar Sponsored  
by the Alfred P.  
Sloan Foundation

By *Cindy Schipani and Jim Walsh*



*Cindy Schipani and Jim Walsh, both professors at the University of Michigan Business School, were the principal investigators for the Alfred P. Sloan seminar series on corporate governance. Schipani is a professor of business law. Walsh is a professor of organizational behavior and corporate strategy. Professors Michael Bradley of Duke University and Anant Sundaram of the American Graduate School of International Management collaborated on the project.*

**Y**ou have to agree: The issue of corporate governance and the role of the firm in the next century is a topic deserving serious debate. It is likely you also will agree the mere complexity of the subject stymies such debate.

Not so at the University of Michigan Business School. As one of the world's foremost centers for business education, we foster such critical and complex debate. With the generous support of the Alfred P. Sloan Foundation, we just completed a four-month seminar series devoted to the questions: What is corporate governance? and What are the

purposes and accountability of the modern firm?

Practitioners and theorists from the worlds of management, law, policy, finance and journalism, including Norman Augustine of Lockheed Martin Corp.; Muhammad Yunus, the founder of Grameen Bank in Bangladesh; and Delaware Chief Justice E. Norman Veasey, were paired as guest speakers week after week. All successfully ignited debate among themselves and the more than 100 students and 25 faculty from the University's Business and Law Schools who were in regular attendance.

"Global competition might characterize governance systems, as well as product markets. If so, it is not clear that ours is winning."

Ronald Gilson  
Professor of Law, Stanford and  
Columbia Universities

"As the logic for production shifted over time from standardization to customization and now to innovation, the firm's key resource moved from capital to information to knowledge."

Raymond Miles  
Professor of Management and Dean Emeritus,  
University of California-

"The emergence of global capital markets is a double-edged sword. We now have access to these markets but because we influence them, they are limited vehicles for diversification."

Michael Bradley  
Professor of Finance and Law,  
Duke University

"It's important for corporations to address the actual expectations of its shareholders with respect to its hedging behavior. If it doesn't, you can sometimes have the strange circumstance of an increase in shareholder wealth and, at the same time, a decrease in shareholder welfare."

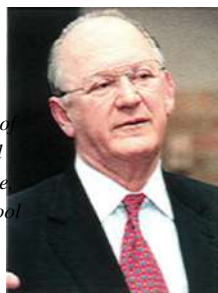
Henry Hu  
Professor of Law, University of Texas

If you want to compete in the capital markets, then you'd better be great in the customer, employee and supplier markets."

C.K. Prahalad  
Harvey C. Fruehauf Professor  
of Business Administration,  
University of Michigan Business School

"Allocating property rights is one of the major challenges in transitional economies."

Jan Svejnar  
Everett E. Berg Professor of  
Business Administration and  
Director, William Davidson Institute  
University of Michigan Business School



entral to our debate is the change born of the Information Age. Land, labor and capital used to be the key factors of production in a business world shaped by the Industrial Revolution. Now, the creative deployment of knowledge lies at the heart of competitive advantage. The institutional context of business has changed.

This change has significantly altered most aspects of the business enterprise. For example, consider the very nature of work. Organizations created by an almost machine-like logic, specifying functional responsibilities and boundaries that were coordinated and controlled by a managerial elite, have given way to network organizations that are integrated across vertical, horizontal and even company boundaries by what would have appalled their predecessors—interpersonal ties based on value-added competence rather than hierarchical authority.

It is a given that product market competition is global. Today, U.S. multinational corporations account for more than 50 percent of all U.S. corporate assets. Capital markets have changed as well. Witness the rise of international capital markets and the proliferation of new financial products such as exchange-traded derivatives. Perhaps even more important is the shift in the ownership of U.S. firms from predominantly individual to now predominantly institutional ownership.

Two trends in corporate law have further complicated the institutional context for business activity. There has been a significant increase in the regulatory accountability of the firm to its stakeholders, most particularly its employees, customers and the natural environment. Conversely, courts and legislatures have given managers more discretion than ever before to help them address these concerns. This simultaneous tightening and loosening of control has created a very unusual policy situation.

Each change carries challenges for those concerned with firm life. For example, if an individual's greatest professional asset is his or her knowledge base, then what is the firm's role in management development? Consider the multinational firm that transcends a variety of political and economic systems. Who controls the corporation that operates in either a muddle

"There are 24,000 directors in the Czech Republic. Who are these people? They are former civil servants. The same people who did the central planning are now calling the shots in the reform period."

Pedro Pick  
Chairman, Czech Post; Chairman, Tonak;  
Independent Director and Consultant



of overlapping regulations or a void at the intersection of sovereign boundaries?

These many changes ultimately call into question our fundamental understanding of just what a firm is. How do alliances and long-term contracts affect our understanding of a firm's boundaries? To whom is a firm responsible? If a stakeholder is anyone who is affected by a firm's activities, then almost everyone in the world can claim to be a stakeholder of a multinational firm such as Cargill Corp. or AlliedSignal, Inc. How is a firm to be held accountable for its actions in this new world?

These important and vexing problems became the focal point for our Sloan-sponsored seminar series. The quotations accompanying the photographs of our guest speakers provide a window on our many discussions. From them, three paradoxes emerged:

- First, if knowledge-based human capital is central to competitive advantage, then why have we shaken a generation of managers with our clumsy corporate restructurings of the past 15 years? These restructurings have unnerved corporate America. It is not clear that our management community is well-positioned to exploit its knowledge-based assets.

*"Two broad schools of thought, concerned primarily with the purpose and accountability of the firm, rally around freedom and liberty on the one hand, and justice and accountability on the other."*

- Second, global capital markets provide a terrific opportunity to hedge risk. But the more we penetrate these markets, the more they move in unison. Ultimately, we lose the independence that made them so attractive in the first place.

*"Small companies can sometimes fly in under the radar and avoid the attention that large companies attract in transitional economies. The politicians will find a way to get their hands on a big investment."*

Bruce Thelen

Attorney, Dickinson, Wright, Moon, VanDusen & Freeman



*"We find that it is an uphill battle to make a profit in transitional economies. We have yet to make a profit in China. You have to focus on long-term market opportunities because the short term is so*

William Marohn

Vice Chairman, Wiirpool Corporation

*"Russia is an ambiguous place. With everyone in Armani suits — military officers, top businessmen and mayors — it is tough to tell who is a criminal and who is not."*

Stephen Handelman  
Foreign Correspondent and Former  
Moscow Bureau Chief, The Toronto Star

*"Be careful about economic reporting in the Russian press. Read it with incredible care. The banking industry is buying up the media."*

Louise Shelley

Professor of Justice, Law and Society,  
American University

*"Only governments, law enforcement agencies and criminals recognize national sovereignty. Criminals hide behind sovereignty."*

Jim Moody

Independent Consultant; Former Assistant  
Deputy Director for Organized Crime,  
Federal Bureau of Investigation

*"Privately held firms operate largely outside the discipline of the marketplace. Without a market, all bets are off."*

Robert Thompson

Professor of Law, Washington University

*"Private firms are run in the interest of inherent family values, not just shareholder value."*

Ernest Micek

CEO, Cargill Corp.

*"Institutional owners have more than mere power... they have a responsibility."*

Kenneth West

Senior Consultant/Corporate  
Governance, TIAA-CREF

"Investors, directors and managers are working more collaboratively than ever before."

Michael Useem  
Professor of Management,  
University of Pennsylvania

"It is unethical for me to opine an answer, but let me ask you a question. Do directors have an obligation to get down in the weeds to find out what is going on?"

E. Norman Veasey  
Chief Justice, Delaware Supreme Court



"The Graham v. Allis-Chalmers decision (absolving directors of the duty to probe deeply into the conduct of their firm) is one of the worst decisions ever rendered by the court. It is an embarrassment."

Andrew Moore  
Managing Director, Wasserstein, Perrella and  
Co.; Former Justice, Delaware Supreme Court



"Some argue that boards should meet monthly for two days at a time. The result of that is likely to be uninformed micromanagement by the board and, worse, the failure to deal with governance."

Gilbert Whitaker  
Independent Director; Professor of Business  
Economics, Dean Emeritus, Former Provost,  
University of Michigan



"The qualities most lacking in directors are courage and the will to act."

William Bowen  
Independent Director; President,  
Andrew W. Mellon Foundation;  
Former President, Princeton University



"A danger arises when managers freelance on their own and directors dabble in management."

Norman Augustine  
Chairman and CEO,  
Lockheed Martin Corp.

Last, the increased managerial discretion that various courts and legislatures created to address the demands for increased stakeholder accountability also enable managers to serve their own or any other narrowly defined set of interests without fear of retribution. This intended "remedy" actually may exacerbate the problems of stakeholder abuse.

In our final analysis, we turned to what so many in America take for granted, the Pledge of Allegiance. That simple 31-word treatise ends with the phrase, "with liberty and justice for all." It is impossible to consider all these issues without examining the very essence of how liberty and justice commingle in American business life.

Two broad schools of thought, concerned primarily with the purposes and accountability of the firm, rally around freedom and liberty on the one hand, and justice and accountability on the other. The "liberty school" views the firm as a nexus of contracts. It celebrates freedom and competition as social norms, believes that prices govern exchanges, and worries about slavery and oppression should the opposing camp have its way.

The "justice school" is different in all respects. It views the firm as a social, political, historical and economic entity, celebrates responsibility and cooperation as social norms, believes that trust governs exchanges and worries about exploitation and alienation if the liberty school has its way.

Larry Bossidy, chairman and chief executive officer for AlliedSignal Inc., concluded our seminar series by observing, "If you are looking for simple answers to these questions, you will never find them." He is surely right. We did, however, draw two broad conclusions.

The purpose of the firm in a free market society is clear: to increase shareholder wealth. In 1970, Milton Friedman wrote the article, "The Social Responsibility of Business is to Increase Profits." In it, he discussed the role of the corporate manager (using language that belies just how long ago he wrote the article.) He argued that ". . . in his capacity as a corporate executive, the manager is the agent of the people who own the corporation. . . and his primary responsibility is to them." Though controversial, we agree with this fundamental tenet of the liberty school.

Next, we must consider the issue of accountability—of social justice. In terms of the corporation, this fundamental hope for our society is not so neatly rendered. The notion of corporate accountability speaks directly to the needs and expectations of the firm's stakeholders. Although the purpose of the firm is not to maximize each stakeholder's well-being, it is surely responsible for fulfilling its obligation to each constituent group, whomever it may be, and to



*"Managers have a moral obligation to consider the interests of all their firm's stakeholders."*

Thomas Dunfee  
Professor of Business Ethics,  
University of Pennsylvania

establish those obligations fairly and without coercion. That said, questions of accountability and responsibility—issues that have been with us since the birth of the corporate form—beg for further reflection and debate.

Thanks to the Alfred P. Sloan Foundation, the University of Michigan's Business and Law School students and faculty, together with practitioners and theorists from the international business community, were able to probe these critical and confounding questions. For better or worse, answers to these questions will shape the economic well-being of not only all Americans but also every citizen of the world.

## A Salute to the Alfred P. Sloan Foundation

The Alfred P. Sloan Foundation is a nonprofit institution founded in 1934 by its namesake, the former chairman and chief executive officer of General Motors Corp. During 1996, the foundation authorized grants totaling \$53 million, including the grant to the University of Michigan Business School for a four-month seminar on corporate governance.

This seminar series supports a major program of study at the foundation. Called *The Role of the Corporation*, it examines stakeholder theories, human capital and wealth creation, and corporate governance. The program's introduction reads: "Recognizing the influence that corporations have in determining the standard of living and quality of life for most people in the United States, the Sloan Foundation has sought to stimulate examination of the corporation as the central and characteristic institution of American society."

*"I would not want to be on a board that is required to balance the interests of all the firm's constituencies. How would you do it?"*

A.A. Sommer  
Attorney, Morgan, Lewis & Brockius;  
Former Commissioner, Securities  
and Exchange Commission

*"The shareholder versus stakeholder debate is not something that paralyzes a board. There can be an accommodation most of the time."*

Marina vN. Whitman  
Independent Director; Professor of Business  
and Public Policy, University of Michigan  
Business School; Former Chief Economist,  
General Motors Corp.

*"We have persuaded ourselves that the fuel of capitalism is greed. That's not right. You can build a world-class company on social objectives."*

Muhammad Yunus  
Founder, Grameen Bank, Bangladesh

*"Think about what globalization, shareholder wealth maximization and stakeholder responsibility means to you. Does your life reflect your view?"*

Noel Tichy  
Professor of Organizational Behavior  
and Human Resource Management;  
Director, Global Leadership Program,  
University of Michigan Business School

*"Most of the people who do the most for society have the least time to do it."*

Larry Bossidy  
Chairman and CEO, AlliedSignal, Inc.

# Business School Selected to Create New Certification Program for Treasurers

# W

hen the Treasury Management Association

decided it wanted to develop a new certification program for senior treasury officers, it invited the nation's leading business schools to submit competitive proposals for the program.

This spring, TMA announced that the University of Michigan Business School won the competition. *"Business Week* says Michigan has the

*"Anyone working in treasury who earns this credential will have a tremendous advantage"*

- Anjan Thakor

highest customer satisfaction rating of all business schools," says Don Manger, president of the 10,000-member association. "It has front-end name recognition, it runs its Executive Education programs like a business and 90 percent of this program will be taught by Michigan faculty members. All this is very important to the association."

TMA supports its members, all of whom are treasury management professionals, with a variety of services including continuing education, certification programs, industry research and the setting of standards for the field. Partnership with TMA means the Business School will assist not only in creating a new industry standard, but also delivering the ongoing training required to achieve certification.

The new credential is called Certified Treasury Executive (CTE). Unlike the test-based Certified Cash Manager credential, which is the first



Sealing the deal: (from back, left) Anjan Thakor, professor of finance, Ron Bendersky, associate director for Executive Education, Jackie Dout, CFO for Champion International and TMA board member, and George J. Siedel, associate dean of Executive Education pose with Dean B. Joseph White (front, left) and Don Manger, president, TMA, following the announcement that the Business School will partner with TMA to create and provide a new certification program for treasurers.

and, up to now, the only certification available to treasurers, CTE curriculum is an education-based credential. Participants must have a bachelor's degree and seven years of experience or a master's degree in business, finance or accounting and six years of experience.

Beginning in October, the Business School will offer the first of 10 graduate-level "institutes" or areas of study. They are Corporate Financial Management, Employee Pension and Benefits Management, Financial Risk Management, Global/International Management, Technology Resources Management, Working Capital Management, Credit Management, Financial Reporting and Accounting Management, Relationships Management and Insurance Risk Management. The institutes will be held at the School's Executive Education facilities and will run for three-and-a-half to four days.

Within a seven-year period, participants must successfully complete six units and write a research paper. "Anyone working in treasury who earns this credential

will have a tremendous advantage," says Anjan Thakor, the Edward J. Frey Professor of Banking and Finance.

"There is no open enrollment program in the country that specifically addresses this group of topics.

"The program is important for the Business School too," Thakor adds, "because it allows us to offer such a broad base of modules in one concentrated area. The program spans 70 percent of what we do in Executive Education in finance. TMA members who earn the new credential will be the best trained in the field because no one individual could have such broad experience without it."

Creation of the new credential and its required program of study was driven by members of the association in an attempt to stay ahead of the expansion of functions for treasury officers charged with minimizing risk in a global marketplace. Manger expects the course content of the institutes and the papers written by the credential candidates to form a database of accepted practices for members. •

# The BBA Program: Unbeatable by Design

**S**uperior faculty, exceptional students and a rigorous curriculum make the University of Michigan Business School's BBA program top in the nation.

"Unlike other business schools, we don't have separate programs and separate faculty for our BBA and MBA students," says Senior Associate Dean Edward A. Snyder. "We have one world-class faculty making and teaching our curriculum. This adds considerable value to the undergraduate course of study. We draw our students from a very select group—primarily UM's own high-quality population and stellar candidates from across the country—and our BBA program is part of one of the world's most highly regarded business schools. It is truly an unbeatable formula."

Students apply to the BBA program during their sophomore year. Entrance requirements are rigorous yet flexible. For example, prospective students must take 14 to 16 credits per semester during their first two years that "prove to be a challenge," says Bethany L. Spotts, administrator of the BBA program. They must show strong performance in all their courses and, because the School's mission is to develop leaders who will achieve high performance in the global world of business, all applicants must demonstrate leadership in extracurricular activities after high school.

"We spend a great deal of time reviewing each application," she adds. "Decisions are not based solely on



**In their capstone Corporate Strategy course, BBA students (left to right) Lauren Liang, Traci Karg, Cindy Cahill, Brad Nunemaker and Winnie Ng present a team report on the cellular phone industry.**

grade point average. Applicants will try to explain away a low grade by telling me, 'I didn't care about my psych course, but I got a B in accounting.' Well, we *care* about that psych course.

"We also care about proven leadership activities. Every student who is admitted to the University was active in high school. What we want to see

*"I interviewed with five firms and had four offers....*

*What more can anyone ask?"*

- Andrew Taylor, BBA '96

is a clear continuation of that commitment."

Financial accounting, business economics, statistics and organizational behavior form the core of the undergraduate business degree. More specialized courses follow,

such as marketing, operations management, information systems and corporate strategy. And, of course, there is the smorgasbord of electives.

All of this comes after two years of liberal arts education. As a result, incoming business students are more well-rounded and more committed than their counterparts at institutions that start the business curriculum in the freshman year, Spotts says.

"Given that the average student changes his or her major up to five times before graduation,

our approach gives them the opportunity to explore and choose."

Only about 300 students are accepted into the program each year, and each class is divided into sections just like the MBA program. This affords the new BBAs the opportunity to form relationships with their section-mates—ties that often become the heart of their professional networks after graduation.

And what about after graduation? That horizon couldn't be brighter, Spotts says. The small size of each class is complemented by the large number of corporate recruiters seeking to hire Michigan BBA students. During the 1997 recruiting season, sponsored by the School's Office of Career Development, representatives from more than 180 different companies came to interview BBA students. Off-campus recruiting also increased significantly.

"All five of my closest friends got their number-one choice for a job," says Andrew Taylor, BBA '96. "I interviewed with five firms and had four offers—What more can anyone ask?"

# Harvey Kapnick Shares His Vision, Resources

**T**he same future-oriented vision that inspired Harvey Kapnick's leadership of Arthur Andersen and Co. has shaped his charitable donations to the University of Michigan Business School.

**Kapnick, MBA '48**, and his wife, Mary, have given \$1 million to advance the study and practice of accounting through a targeted mix of endowments for student scholarships, the Paton Accounting Center and faculty workshops. "I have been very successful," Kapnick says. "I believe those who have been successful should use a part of that financial success for funding programs for future generations."

Following studies at the Business School, a 23-year-old Kapnick launched his accounting career at Arthur Andersen. Eight years later he made partner. In 1970, he was named chairman and chief executive officer. During his decade at the helm, Kapnick led the Big Eight firm to worldwide dominance in the field of public accounting and accelerated the growth of the consulting practice.

"Harvey Kapnick has always been ahead of his time," says Gene Imhoff, professor and chairman of the Department of Accounting. "At Arthur Andersen he had tremendous vision and a clear understanding of where the accounting profession needed to go. Much of what he espoused regarding the organizational structure of major CPA firms has become the norm in accounting today."

In 1990, the couple established the Kapnick Scholarship Fund. Each year, it has supported 10 undergraduate business students who are residents of the State of Michigan. This year, the Kapnicks added sig-

nificantly to their original gift. Their scholarship fund now will support up to 15 BBA and/or masters of accounting students.

A second portion of their donation is a major gift to the Arthur Andersen Fund for the Paton Accounting Center, which was estab-



Harvey and Mary Kapnick

lished to support the recruitment and retention of outstanding faculty and doctoral students, and fund items such as specialized software and research databases. The Kapnick gift serves as the lead gift for a campaign to raise \$2.5 million for the Paton Accounting Center.

"I will always be grateful to two outstanding teachers who became my friends—Bill Paton and Herbert Miller," Kapnick says. "Professor Paton taught that accounting is not just about numbers. He said the numbers call for interpretation and facilitate decision-making. Paton always encouraged visionary approaches to this

process. Professor Miller, who provided me with career guidance, taught that auditing was the verification of facts, not merely a set of rules. Together, their teachings became my philosophy. I want our gifts to the Business School to perpetuate this kind of creative thinking."

The third component of the Kapnick gift creates the University of Michigan Business School Paton Accounting Center Harvey Kapnick Workshop Series. This endowment supports ongoing multidisciplinary workshops for accounting faculty. Every five years beginning in the year 2000, a workshop will be devoted to a critique of the effectiveness of standards setting in the accounting profession.

"Workshops are the centerpiece of the intellectual interchange between accounting faculty and students at the Business School and around the country," Imhoff says.

"These resources allow us to bring the most interesting and creative scholars from around the world to the school for critical analysis of their work in process.

"The seminars, which now will be sponsored by the Kapnick Workshop Series and are appropriately named in Harvey Kapnick's honor, are held about 25 times a year and help to make this place great," Imhoff continues. "Because of this ongoing interchange, we are better able to keep abreast of, and participate in, cutting-edge research."

The Kapnicks, who have three children and eight grandchildren, enjoy full retirement in Florida. "In making these gifts, Mary and I gain the personal satisfaction that we are contributing to the continued education of future generations and, actually, the opportunity to have a fine education," Kapnick says.

# Alumni Activities

## Businessman Sam Zell Defines 'The Entrepreneur'

Who better to talk about the entrepreneurial mindset than one of the nation's preeminent entrepreneurs, Sam Zell. Zell, who earned his bachelor and law degrees from the University of Michigan in the 1960s, currently ranks 96th on

*Forbes'* list of wealthiest Americans.

Zell was the guest of honor at the May gathering of the Business School's Alumni Club of Chicago. The event, "An Evening with Sam Zell," drew more than 200 people.

What does it take to be an entrepreneur? Several qualities

are essential, according to Zell. "It takes self confidence," he asserted, "that unique ability to look in the mirror and say, I can do that!" It also requires the ability to speculate on opportunity. An entrepreneur asks questions like: How do you make it happen? I wonder if they thought about this . . . ? How can I make it better? "This kind of intellectual gymnastics is an integral part of how and what drives a successful entrepreneur," he said.

"The word failure is not in an entrepreneur's vocabulary," Zell added. "There are undertakings that don't work out, but there are no failures."

Ambition—not to be confused with greed—is another critical characteristic of an entrepreneur. Even more important, Zell said, is innate curiosity. "If you don't constantly ask why, or more important, why not, you ain't gonna make it!"

Zell spoke about risk-taking, salesmanship, the importance of vision and the "villain of every entrepreneur"—conventional wisdom.

Successful entrepreneurs are blessed with extraordinary energy, he said. They also have drive and focus and know how to lead others. "We used to think power was the ultimate objective," he said, "but the real definition of power is never having to use it. That's leadership!"

### Club News

#### • CHICAGO

The University of Michigan Business School Club of Chicago hosted "An Evening with Sam Zell" at the Chicago Athletic Club in May. Two hundred members and guests were on hand for the evening including many soon-to-be alums from the MBA Class of 1998 who were working in Chicago. **Christopher Sultz, BBA '87/MBA '90**, and **Cynthia Johnson Sultz, MBA '92**, also were in attendance. The couple met through the club a few years ago and now are married.

Club president **Mike McKewin, MBA '93**, welcomed everyone. Dean B. Joseph White was in attendance along with Ann

LaCivita, the Business School's new director for Alumni Relations, and Barbara Wittbrodt, the new director of the School's Annual Fund. White addressed the group on the subject of risk-taking—a topic that set the tone for the evening's speaker, Sam Zell. (See related story above.)



Sam Zell



Christopher and Cynthia Sultz.

# Alumni Activities

Other club activities included participating in an American Cancer Society Walkathon and hosting a reception for University of Michigan President Lee Bollinger during his visit to the Windy City in June. For more information, contact McKewin at (312) 222-6833.

## • NORTHERN CALIFORNIA

The Club of Northern California hosted Craig Branigan, MBA '74, managing director of Landor Associates, at its March gathering. Branigan, who coined the phrase "power brand building," talked about building brand equity. "A brand is a promise," he told the audience.

Approximately 40 members and guests attended



Business school graduates, their guests and current students working in the Chicago area for the summer turned out for the Club of Chicago's May event. Pictured here with Dean B. Joseph White (center left) are members of the MBA Class of 1998 (left to right) Allison Botero, Erin Markey, Mitchell Goodman, Ryan Nordberg and Raymond Tehenbaum.



Roger Shubert, BBA '89 (center right), and Mike McKewin, MBA '93 (far right), visit with Elaine Virant, Roger's wife (center left), and Dawn Akey, McKewin's guest, at the Club of Chicago's May event. Mike McKewin is the president of this city club.

the event, which was held at the Banker's Club in San Francisco.

In June, the club co-hosted with the Golden Gate Chapter of the University of Michigan Alumni Club a baseball tailgate party at Candlestick Park. Members, guests and Business School interns working in Northern California enjoyed food, fun and the game between the San Francisco Giants and Los Angeles Dodgers.

In August the club will host Extravaganza Picnic in the Park in Palo Alto to mark the end of summer, welcome new Michigan graduates to the area and provide a send-off for students returning to Ann Arbor. For more information, contact Eva Chang, MBA '93, at (415) 296-5818.

## • ALL CLUBS

The Office of Alumni Relations will host its Third Annual Leadership Conference for city club and Reunion 1998 leaders and Global Blue representatives on Nov. 2 at the Business School. For more information, contact Ann LaCivita, director of alumni relations, at (517) 763-5775.

## Reunion Time!

The Classes of 1972, 1987, 1992 and 1996 are invited to return to campus for the University of Michigan Business School's Annual Reunion Weekend Oct. 31 to Nov. 1. "We have two full days of activities planned," says Ann LaCivita, director of alumni relations. "Expect fun, friends, football and excellent executive skills seminars."

To register for Reunion '97, contact the Office of Development and Alumni Relations at (313) 763-5775 or by e-mail at [alumni@umich.edu](mailto:alumni@umich.edu).



# Alumni OPPORTUNITIES

## We want you!

We have alumni activities for everyone. Please call Alumni Relations to get involved. Through your participation, you gain by networking with fellow Michigan grads while giving back to your alma mater in a personal way. It's also fun!

### Office of Alumni Relations Contacts

Phone: (313) 763-5775  
Fax: (313) 763-9170

Ann LaCivita, Director,  
[adl@umich.edu](mailto:adl@umich.edu)  
Mary Perrydore, Assistant Director,  
[maiyp@umich.edu](mailto:maiyp@umich.edu)  
Julie Antis, Office Assistant,  
[antisj@umich.edu](mailto:antisj@umich.edu)



### Contact Office of Alumni

Relations at 313-763-5775 or [alumni@umich.edu](mailto:alumni@umich.edu) regarding the following opportunities:

Participate in Global Blue's "A Day in the Life" program. Host a first-year MBA for a day at your company.

Take part in Global Blue's "Alumni-Student Luncheon Program." Join a small group of students for an informal lunch in the Student Lounge (Alumni Relations treats the alum) to discuss issues related to the MBA experience or careers. To schedule a luncheon during your next trip to Ann Arbor contact Global Blue at [globalblue@umich.edu](mailto:globalblue@umich.edu) or call Alumni Relations.

Get involved in your alumni city club. Visit the Business School web site at <http://www.bus.umich.edu> to identify a contact in your city.

**Have your company sponsor a reception** for prospective students and alumni in your city.

Participate in the Michigan Business Women's Mentoring Program for Business students.

Host an Alumnae Tea in your home for newly admitted female MBA students in your city.

Volunteer to plan your class reunion. Planning begins more than a year prior to Reunion. Business School Reunions are held for classes 1, 5, 10 and 25 years after graduation. Emeritus Reunions are held each year for all alumni who have graduated 50 or more years ago. Contact your Global Blue Leader or the Office of Alumni Relations.

Update your business and home address. Make sure other members of the Business School community will be able to stay in touch with you. Send Alumni Relations your updated contact information (find us at the Business School web site) or fax or phone us with your update.



**Share a Class Note** in *Dividend* magazine and *Dividend Online*. Let your classmates know what you are doing professionally, personally or in your community. Email your note to [alumni@umich.edu](mailto:alumni@umich.edu) or fax it to Alumni Relations at 313-763-9170.



Become a Supporter of the Annual Fund. Help the Business School compete for the best students and the best faculty.

### Contact Office of Career Development at 313-764-1372 or

[ocd@umich.edu](mailto:ocd@umich.edu) regarding the following opportunities:

Hire an MBA or BBA student or alum. You can interview current students on campus or post positions for students and alumni on the M-Track online network.

Attend the annual Recruiting Forums for students, alumni and employers. The next Forums will be held in New York on November 6 and 7, 1997, and in San Francisco on January 22 and 23, 1998. Recruiting Forums include a Thursday evening reception for alumni, students and employers and a day of interviews on Friday for students and participating companies.

# SERVICES DIRECTORY

Did you know that everyone's connected electronically?

Log on to the University of Michigan Business School web site and find the Alumni Database and information on CAREER SERVICES, CITY CLUBS, REUNIONS, and ALUMNI CALENDAR OF EVENTS

<http://www.bus.umich.edu>



## M-Track and the Business School Web Site

**M-Track** provides a "password protected" network for alumni and other members of the Business School community at <http://www.bus.umich.edu/mtrack>. To access M-Track, use your Social Security Number for both your ID and your password, unless you already changed your password as an alum or as a student. International alumni should use the 10-digit student ID number that had been assigned. If you have forgotten your ID or password, contact Alumni Relations at [alumni@umich.edu](mailto:alumni@umich.edu).

**Lifetime Email Address for All Alumni.** Your classmates and other members of the Business School community will always be able to find you if you check your M-Track messages regularly or forward them to your current email address.

**Alumni Database** may be searched by class, geography and industry.

**Online Discussions.** Alumni, students, faculty and staff can create online discussions with other members of the Business School community.

**Employer Contacts and Job Postings.** Alumni can access all Business School employer contact information and career positions posted online.

**Business School News and Events.** Available year round. See Alumni Calendar of Events.

Office of Alumni Relations Contacts  
Phone: (313) 763-5775  
Fax: (313) 763-9170

Ann LaCivita, Director,  
[adl@umich.edu](mailto:adl@umich.edu)  
Mary Perrydore, Assistant Director,  
[maryp@umich.edu](mailto:maryp@umich.edu)  
Julie Antis, Office Assistant,  
[antisj@umich.edu](mailto:antisj@umich.edu)

Contact the Career Center in the Office of Career Development at 313-763-1373 or [ocd@umich.edu](mailto:ocd@umich.edu) for more information on these

Alumni Career Packet contains a list of search firm contacts, Internet career sites and guides for resumes and cover letters.

**Job Postings.** Career opportunities for both new and experienced alumni can be found online via <http://www.bus.umich.edu/mtrack>. Job opportunities are updated daily and are listed for 30 days.

**Kresge Business Library's Career Resources on the Web.** Available at <http://www.lib.bus.umich.edu>. Career information includes links to 600 company Web Sites, U.S. Job Sites, International Job Sites, a Relocation Guide and a link to the University's library.

## Club and City Contacts

**Alumni City Clubs** provide a link to the Business School community and sponsor business, career, and social events for alumni.

## DOMESTIC CLUB & CITY CONTACTS

*Chicago* - Daniel Roarty, MBA '94, (312) 507-4285, [daniel.m.roarty@awo.com](mailto:daniel.m.roarty@awo.com)  
*Cleveland* - Deanna Bremer, MBA '92, [dbremer889@aol.com](mailto:dbremer889@aol.com)  
*Dallas/Fort Worth* - Thomas Doolan, MBA '94, (817) 931-3714, [Thomas\\_Dd\(ait@amrcorp.com](mailto:Thomas_Dd(ait@amrcorp.com)  
*Houston* - Geoff Allen, MBA '91, (713) 853-3182, [geoffreya@wl.net](mailto:geoffreya@wl.net)  
*Los Angeles* - Paul Wyckoff, BBA '86, (310) 786-8648, [pwycckoff@svbank.com](mailto:pwycckoff@svbank.com)  
*Miami* - Jay Carrillo, MBA '94, (305) 441-6196  
*New York* - Barry Asato, MBA '92, (212) 503-7047  
*Northern California* - Eva Chang, MBA '93, (415) 296-5818, [eva\\_chang\\_at\\_spceb@bpna.com](mailto:eva_chang_at_spceb@bpna.com)  
*Seattle* - Sang Kim, MBA '96, (206) 655-3498, [sang.w.kim@boeing.com](mailto:sang.w.kim@boeing.com)  
*Southeast Michigan* - Ed Karls, MBA '94, (313) 930-9090  
*South Florida/Fort Lauderdale* - Jeff Kleino, MBA '93, (954) 851-8398, [jeff.kleino@nt.com](mailto:jeff.kleino@nt.com)  
*Washington D.C.* - Mike Weber, MBA '91, (202) 874-0877, [michael.weber@wpgate.irs.gov](mailto:michael.weber@wpgate.irs.gov)

## INTERNATIONAL CLUB & CITY CONTACTS

*Beijing* - Fan Zhang, MBA '93, 86-10-65051353, [fanzhang@public3.bta.net.cn](mailto:fanzhang@public3.bta.net.cn)  
*Germany* - Michael Wolff, MBA '91, 49-69-910-36643, [michael.wolff@zentrale.deuba.com](mailto:michael.wolff@zentrale.deuba.com)  
*Hong Kong* - Stephen Lovass, MBA '97, 8-522-839-6600, [stephen\\_lovass@fmc.com](mailto:stephen_lovass@fmc.com)  
*Italy* - Max Marcon, MBA '96, 39-2-72406292, [massimiliano\\_marcon@mckinsey.com](mailto:massimiliano_marcon@mckinsey.com)  
*Japan* - Mr. Takeo Suzuki, MBA '76, 81-54-202-0030, Fax: 81-54-202-2223  
*Norway* - Sverre Lorentzen, MBA '79, 47-22-83-2622, [lorentzen@absnet.no](mailto:lorentzen@absnet.no)  
*Shanghai* - Byron Askin, MBA '91, 86-21-6350-8228 ext. 233, [byron\\_askin@email.whirlpool.com](mailto:byron_askin@email.whirlpool.com)  
*Singapore* - Thomas W. Insley, MBA '92, 65-831-1277, [thomas\\_w\\_insley@CCM.ISIN.INTEL.COM](mailto:thomas_w_insley@CCM.ISIN.INTEL.COM)  
*Switzerland* - Beat Geissler, MBA '95, 41-1-267-69-69, Fax: 41-1-267-69-67  
*Thailand* - Sathisth Sathirakul, MBA '90, 6636-373-373 ext. 129, [ssathirakul@mcimail.com](mailto:ssathirakul@mcimail.com)

*"These contacts are currently looking for alumni to assist them in creating Alumni Clubs. Get in touch with them if you would like to be involved."*



is chairman of SCORE Chapter 18 in Detroit. SCORE was formed in 1964 as a nonprofit association dedicated to entrepreneur education and the formation, growth and success of small businesses nationwide; it now has more than 12,000 volunteer members. Jack recently assisted in teaching a class on managerial communications at the UM College of Engineering, and participated in a business plan workshop at Lawrence Technological University in Southfield, Mich. In February he represented SCORE at a dinner meeting of the American Society of Travel Agents where he explained how the association helps and advises small-business owners. In a recent interview, the Oakland Press identified Jack as one of SCORE'S walking, talking encyclopedias on the ins and outs of owning your own business. Jack says he prefers to be known as a "business doctor" who diagnoses problems and prescribes solutions.

**56 Jerome B. Williams  
BBA '56**

had two concurrent careers since graduating from Michigan—flying and computer systems development and consulting. "The flying is over, but I'm still providing election systems software support via the Internet for Michigan, Massachusetts and Pennsylvania from my little town (Twain Harte) near Yosemite," Jerome says. "I'm also a volunteer math teacher for GED students in the county."

**63 R. Bruce M  
MBA '63**

senior account executive with Georg Fischer Foundry Systems, received the E.J. Walsh Award from the Foundry Educational Foundation (FEF) last November in Chicago. The FEF was established in 1947 to foster and improve college-level technical education in the metal casting field. The foundation now works with 28 engineering schools nationwide as well as with two-year schools that graduate technologists. Bruce has been FEF president, a member of the executive committee and a trustee. He also was an FEF scholar and received an undergraduate engineering degree from UM in 1957. Bruce and

**Charles S. Low, BBA '46/MBA '47  
Retired Track Man Still Running Strong**



Born and raised in Detroit, **Chuck S. Low, BBA '46/MBA '47**, joined the Navy at age 17 and started out in their college training program. In 1944 he was transferred home to Michigan, sent to the University of Michigan for supply-corps training, completed his undergraduate degree in business, commissioned an ensign and then was released from active duty as the war ended. He was all but 19. Low made two decisions at this juncture: to earn his MBA and take to the track. Because of post-war rules, Low was allowed to compete on the Varsity Track Team in 1946 and 1947. "I probably hold the record for the most second-places finishes in the Big Ten," he says.

After completing the MBA program, Low went to work for Ford Motor Company for three months, then moved to Briggs Manufacturing for the next 14 months. A restructuring in that industry brought him back to Ford in 1949, where he stayed until his retirement in 1985. His 36-year tenure there included 15 years in the Ford Division, two years at World Headquarters and 19 years at the Tractor Operations. "My entire career was in Ford's worldwide service parts business, finally retiring as North American Distribution and Supply Manager for Tractor Parts Operations. The international aspect of my career allowed for extensive travel throughout Europe, Latin America and the Far East," he says.

Low has never forgotten his UM ties. A resident of Bloomfield Township since 1962, he was president and board member of the University's Club of Greater Detroit, president of the "M" Club, a member of the President's Club, a member of the Victors Club and has been a football season ticket holder for 53 years. "I'm proud that my university has such a high academic standing in so many different fields, and that it has a very active alumni group," he says. "One out of 800 Americans is a University<sup>7</sup> of Michigan graduate, and you run into them all over the world."

Retirement hasn't slowed Low down one bit either. Aside from his huge involvement with UM alumni activities (he was back in June for the Business School's 1997 Emeritus Reunion), he served as a Bloomfield Township trustee for nine years and a member of their planning commission for eight years. But most significant, perhaps, is his involvement in the Scottish community. "Both my parents emigrated to the U.S. from Scotland in the early 1900s, and since my retirement I have enjoyed membership in the St. Andrew's Society of Detroit, a Scottish benevolent organization." In fact, Low has served as President, Board Chairman, Treasurer, Highland Games Chairman and all-round active member of the organization. The quality of my Michigan education was superb," he says. The Business School ranks number one, and I received a wonderful career education there."

Few alumni are more devoted to their school than Chuck Low. Resplendent in formal Highland Dress at a recent Scottish event, proudly wearing the tartan of Clan MacLaren, Low cut a smart figure. But a second glance revealed his true allegiance ... the suave Scot was wearing maize and blue hose and flashes!

his wife Judy share interests in golf, photography, theater, boating and enjoying their nine grandchildren.

**65 William C. Martin  
MBA '65**

was recently appointed to serve as the sailing representative on the 50-member United States Olympic Committee (USOC) Board of Directors. Bill, president of the

First Martin Corp. in Ann Arbor, is a long-time competitive sailor and past president of the United States Sailing Association. Before joining the board, Bill served on the USOC's budget committee for four years. The USOC also oversees the Junior Olympics, the Paralympics, the Senior Olympics, the World University Games and the Pan Am Games and acts as the U.S. liaison to the International Olympic Committee.

## Allen Shoup, BBA'65 His Wine List Is a Winner



**Allen Shoup, BBA '65** served as the honorary chair of WineFest '97, the distinguished wine auction that benefits the Ann Arbor Art Center. WineFest was held in April in nearby Ypsilanti. Allen is president and CEO of Stimson Lane Ltd., which owns and operates Chateau Ste. Michelle, Columbia Crest and Snoqualmie wineries in Washington State. This includes 3,500 acres of vineyards and 7,000 acres of farm land. Stimson Lane also owns and operates Whidbey Liqueur and Port House, Yakima Brewing and Malting Company, and Conn Creek and Villa Mt. Eden wineries in the Napa Valley.

Shoup has 20 years' experience in consumer goods marketing, including seven years with Max Factor and a tenure as director of corporate communications for Boise Cascade. He began his career in the wine industry with E. & J. Gallo as a group product marketing manager. As president and CEO of Stimson Lane, he has taken the company to international prominence and established Washington State as a world-class grape growing region. He joined the firm in 1980 as director of marketing and was promoted to president in 1984. Over the past decade, the company has seen an average annual sales increase of 20 percent.

"Getting traditional-minded wine lovers to embrace a new wine-making region is like asking them to change their religion," Shoup says. He first established the Columbia Valley growing region as an appellation in 1984. To further advance the region, he founded the Washington Wine Institute; today he is a member of the Washington Wine Commission, the California Wine Institute, the National Wine Coalition and the Century Council, and was the founding chairman of the American Wine Alliance for Research and Education.

Shoup's vision for the industry is an outgrowth of his passionate belief that life should be pleasurable. "Wine is an intrinsically pleasurable product. For more than 4,000 years, wine has provided universal pleasure. If we are going to have a wine culture in this country, it will come from wine's natural marriage to food." Shoup resides in Seattle with his wife Kathleen and son Ryan (10).

66

### Michael Duhl BBA '66

has accepted the position of principal in the Tax Group with Deloitte & Touche LLP in Chicago. Previously Mike was a partner with the law firm of Hopkins & Sutter in Chicago, where he was employed since 1971. Mike has represented numerous clients in disputes with the IRS, including argument in the U.S. Supreme Court. He also served as outside counsel to the Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation and Federal Deposit Insurance Corporation. After graduating from Michigan, he graduated magna cum laude from Harvard Law School in 1969, where he was an editor of the law review. He resides in Winnetka, Ill., and serves as a village trustee.

### Don Vlcek BBA '71

has recently produced an audio cassette titled "Supervision," to follow his award-winning business book *The Domino Effect*

and also a "Job Planning & Review" manual. Don left Domino's Pizza after 15 years as vice president to become a consultant, keynote speaker and workshop facilitator. He is president of Don Vlcek & Associates Ltd. located in Plymouth, Mich.

### Thomas Kurlak BBA '69, MBA '71

is first vice president and senior analyst for Merrill Lynch covering the semiconductor industry. Tom started with Merrill Lynch in 1978 and has been a member of the All America Research Team since 1980. He is a member of the New York Society of Security Analysts and of New York Electronics Analyst Group. He and his wife have two grown children, ages 25 and 30, and one granddaughter, age 2.

### >Iij John Lehman ' ' MBA'77, Ph.D.'82

has been appointed director of international programs at the University of Alaska at Fairbanks, where he is a professor of information systems and international business. He now is in charge of promoting and

coordinating international study and research by university faculty and students, and working with foreign students coming to Alaska. John also earned his BA and MA in Chinese Language and Literature at UM and speaks French, German, Russian, Cantonese and Tibetan. His wife Lisa (BA '73, AMLS '74) is a librarian at the UA-Fairbanks.

### i''7 0 Gary J. Rasmussen ' ° MBA'78

recently joined ProForma West, a regional mergers and acquisitions firm. "I consult with either business owners or potential investors in privately held companies located in the western U.S.," he says. Gary sold his telecommunications company in 1992 and then authored a book on how businesses can best utilize this market (*How to Buy Telephone Equipment in the Secondary Market*, New York: Flatiron Publishing, 1994). Residing in Colorado since 1978, Gary and his wife live west of Denver in Evergreen.

### 79 Earl S. Landesman MBA '79

is chairman of Strategic Financial Partners, a financial and general management consulting firm committed to implementing leading-edge financial and business process solutions. Earl has just written *Corporate Financial Management: Strategies for Maximizing Shareholder Wealth* (John Wiley & Sons, 1997). Prior to founding Strategic Financial Partners, he was a partner with Coopers & Lybrand, an associate partner with Andersen Consulting and a principal with A.T. Kearney. He also was on Chrysler Corp.'s Corporate Finance staff during its 1980s turnaround.

### Cynthia Fadool Rose MBA '79

took an 11-year hiatus from the workplace to raise her two now-teenage children. During that time she did part-time substitute teaching, tutoring of English as a second language, management consulting and freelance writing and editing. Rose was the co-author of *Native North American Almanac*, a two-volume reference book for middle schoolers, published by Gale Research. In May 1995, she began working at William Tyndale College, a small Christian liberal arts school in Farmington Hills, Mich., as director of the accelerated degree program, acting chair of the professional studies division and assistant professor of business administration. In November 1996 she was named associate

## Albert J. "Al" Vegter, B Arch '66/MBA '67 Still Building for the Future



As a young architecture student working summer jobs in both large and small offices, Al Vegter, B Arch '66/MBA '67, recalls noticing that few architects really knew much about the business side of their practices but most spent a lot of time and effort trying to run them, often poorly. So he decided to cross Monroe Street from the old Architecture Building (now Lorch Hall) and take some accounting and business law. "It became an interesting cross-cultural experience," Vegter says, "since the attitudes and focus of the two schools were so different. It was sometimes a nice relief thinking in quite a different way to solve the problems we were given in class."

This eventually led to his becoming one of the first UM architecture graduates to get an MBA. "Neither school had ever heard of anyone doing it before, and now they have a joint degree program. My senior thesis architecture project was planning an addition to the Business School, including residential space for Executive Education, which became a reality several years later," he says, "so everything I was doing as a student was pretty well integrated."

Vegter is still working in a "cross-cultural" way as president of Daniels and Zermack Associates, an Ann Arbor-based firm of architects and interior designers who have specialized in the design of business buildings, particularly banking institutions, since 1950. "A lot of what we do involves consulting with our clients about their facility needs. Not only does the business background help in running our practice, but we have the ability to really relate and comprehend their business organizations and objectives. Our consulting sometimes leads to their thinking about their organizations and how they will offer their services in a different way."

Vegter, who has planned several dozen banking buildings during his 24 years with the firm, adds, "I didn't have any idea I would be applying what I learned in Dr. Brophy's Money and Banking course in quite this way."

Vegter and his wife, Dorothy Jean, recently celebrated 30 years of marriage. They have three children: Christopher (an aero-engineering graduate of UM), Suzanne and Katrina. Vegter has served as chairman of the Alumni Board of the College of Architecture and Urban Planning and as president of the Huron Valley chapter of the American Institute of Architects.

dean of admissions for adult and continuing education, where she focuses on marketing, recruitment and admissions for the accelerated degree program.

### QQ Richard M. Gold MBA '80



has been named vice president-aftermarket for Cummins Engine Co., a major worldwide producer of diesel engines. Richard joined Cummins in 1980 in the finance area. Before working

for Cummins, he was with the Observer Newspapers in Detroit as a reporter and editor. He and his wife, Alice, have three children, Aaron, Rachel and Andrew.

### 0 7 Robert W. Avery 01 MBA '81

has assumed the editorship of the bi-monthly periodical *The Natural Health*

*Many-To-Many*, an alternative health publication for serious health seekers interested in the science of human health. Interested readers may contact him at 1930 Washenaw Ave., Ann Arbor, MI 48104-3655 or e-mail to [RWAVE17@vegetarians.com](mailto:RWAVE17@vegetarians.com).

### Dennis Colling MBA '81

is currently serving as vice president for human resources for Partners HealthCare System, the company organized to oversee the affiliation of Massachusetts General Hospital and Brigham and Womens Hospital. Partners also includes the Northshore Health System and more than 700 primary care physicians. Before going to Boston, Dennis served in a similar capacity at the University of Pennsylvania Health System in Philadelphia. He lives in Cambridge, Mass.

### Sandy & Ellen Ernst Kossek MBA '81 (both)

Sandy spends a lot of his time on the road as a network strategy consultant for IBM. Ellen is a tenured associate professor at Michigan State University's School of La-

bor and Industrial Relations and has just published, with Sharon Lobel, a book titled *Managing Diversity: Human Resource Strategies for Transforming the Workplace* (Blackwell, 1996). The couple enjoys raising their four children, ages 3, 6, 8 and 11. They reside in Okemos, Mich.

### QO Gretchen M. Hazen MBA '82

With degrees and work experience in natural science, Gretchen earned her MBA with the goal of selling her science and business skills to a conservation or environmental organization. When that didn't quite work out, she went into the software business where she put her MBA skills to good use in various aspects of tech writing and project management. "In spring 1995 I became unemployed, and it was the best thing that happened in years. After 1-1/2 years of leisurely job hunting I found my dream job as the operations manager of The Nature Conservancy's Alaska Field Office. I'd never thought of moving to Alaska, but I'm here now and love working for the Conservancy, my job and Alaska. And I'm finally doing what I set out to do when I got my MBA," she says. Gretchen lives and works in Anchorage.

### Paul T. Hufziger BBA '82

has been appointed director of Taxes and Tax Counsel for Retailer Financial Services, a division of General Electric and GE Capital Services. Retailer Financial Services is the world leader in providing credit services for retailers and consumers. Paul and his wife Evelyn (UM'82) reside in Fairfield County, Conn., with their three sons.

### Gerard J. Tellis Ph.D., '83

authored an MBA textbook, titled *Advertising and Promotion Strategy*, that will be released by Addison Wesley in August 1997. Gerard is Neely Professor of Marketing at the University of Southern California's Marshall School.

### 84 Terri Albert BBA '84

is now working for VIEWnet selling PC-based teleconferencing to colleges and universities. "This technology is like what you use in the UM placement office to do screening interviews with grads who are interfacing with a company not coming to campus for this stage of interviews," Terri explains. Terri resides in Chicago.

## Jack J. Quinlan, BBA '75 Answers a Higher Calling



When **Jack Quinlan, BBA '75**, graduated from the Business School, he accepted a position with the Word of God Christian Community in Ann Arbor. There he was involved in a variety of activities as the organization expanded its operations internationally. During his tenure there, he coordinated the efforts of a missionary team for a year in Colombia and also visited sister communities in Central America. Later Quinlan was introduced to Tom Monaghan, founder of Domino's Pizza, and with him helped develop a mission to the poor in the mountains of Honduras. "The Prayer of St. Francis has always been a favorite of mine. It says, 'It is in giving that we receive.' I have found this truth recurring

throughout my life," he says.

Eventually, Quinlan returned to UM to take a philosophy course, and subsequently matriculated to the Franciscan University of Steubenville, Ohio, where he did 18 months of philosophy and theology studies in preparation for his graduate theology studies.

Quinlan entered Sacred Heart Major Seminary in fall 1993, and received his Masters of Divinity degree on April 26, 1997. "I always thought of becoming a Catholic priest and was pleasantly surprised when I entered the seminary and discovered there were others there who had come after having successful professional careers," he says. Sacred Heart Major Seminary currently has a cardiologist, several attorneys and engineers and an art director among its priesthood candidates.

Quinlan was ordained a Catholic priest on May 17, 1997, at Blessed Sacrament Cathedral in Detroit. On July 1, 1997, the Rev. Jack J. Quinlan became Associate Pastor at St. John Neumann Parish in Canton, Mich.

"I believe if we sincerely seek to do what in our heart of hearts we know to be right and best, we will be happy and find fulfillment. I am happy to be embarking on a career as an ordained priest who will hopefully be giving life, truth and hope to those I encounter along the way."

### J. Peter Bardwick MBA '84

formerly was the CFO of Beasley Broadcast Group and is now the managing director of Star Media Capital in Dallas, Texas. Star Media Capital is a specialty investment banking firm working with the broadcast and entertainment industries.

### Tom Jacques BBA '84

writes that his second son, Jared Francis, was born on May 5, 1995. After going to night school since January 1991, Tom received his MBA on June 3, 1996, graduating with honors from the University of Wisconsin in Oshkosh. He was inducted into Beta Gamma Sigma, a national business honors society, and achieved a 4.0 grade point average. In October 1996, Tom accepted the new position of marketing strategist at Paper Converting Machine Company in Green Bay, Wis., after spending 12 years in the paper industry with machine manufacturer Fabio Perini S.p.A. of Lucca, Italy. He is now responsible for the global marketing strategy for flexographic printing machinery. "I needed a new challenge," Tom says.

"I wanted to use my education in a completely new field to expand my horizons. Learning is a lifelong process, and I never want to stop learning."

### Robert H. Sack BBA '84

is senior vice president for business operations of the Grand Rapids Griffins, the International Hockey League's most successful franchise. Bob oversees all business operations, and the Griffins sold out 40 of their 43 games this past season in their brand new, 11,000-seat arena. Since graduation, Bob has spent his entire career in professional sports management.

### Q ^ Christopher P. Mammoser MBA '85

was admitted as an associate partner in Andersen Consulting, a global management and technology consulting organization, last December. Chris joined Andersen Consulting in June 1985 and was promoted to manager in 1989. He is director of human resources for the Financial Services Industry practice in the Americas, and is

responsible for resource planning, personnel operations, scheduling/staffing, career development, compensation management and other related programs. Chris lives in Wheaton, III, with his wife, Anette, and sons, Alex, Eric and Kevin.

### Alicia Weaver Robinette BBA '85

is manager of Robinette's Gift Barn in Grand Rapids, Mich. "I am managing half the family business, which specializes in fine collectibles, and am really enjoying it," reports Alicia. She is married to Ed Robinette, and they have two sons, Jim (8) and Allan (5). The other half of Robinette's Inc. is Robinette's Apple Haus—fruit farm, cider mill, bakery and restaurant.

### David T. Simm MBA '85



has been appointed to the Posicor marketing team for Roche Laboratories, in Nutley, N.J., the pharmaceutical marketing and sales subsidiary of Hoffmann-LaRoche. Posicor is a new cardiovascular compound that represents a major advance in the treatment of hypertension and angina. David came to Roche from Boehringer Mannheim Corp. in Gaithersburg, Md., where he was senior product manager in the therapeutics division. Previously he had worked at Lederle Laboratories and American Scientific Products.

### J?T Steven L. Goldberg BBA/MAcc'86

has been named vice president, investments, of Stifel, Nicolaus & Co., which is engaged in securities brokerage, investment banking and money management. Steve will provide financial counsel to the firm's clients on a full range of investment opportunities. Based in St. Louis, Steve is a board member of St. Louis Effort for AIDS, a member of the Jewish Federation Allocation Committee, treasurer of the UM Alumni Club of St. Louis and co-chair of the St. Louis Chapter of the Missouri Society of CPAs' Personal Financial Planning Committee.

### John D. Lieberman BBA '86, MBA '93

started his professional career in 1986 in the Deloitte & Touche audit practice in the U.S. and U.K. After receiving his MBA,

John joined Citicorp and has held positions in consumer marketing and corporate finance. Currently assistant vice president, he is involved in marketing traditional commercial and investment banking products to *Fortune* 500 chemical and pharmaceutical companies.

**Gordon Metz**

**MBA '86**

has left Chase Manhattan in New York to join CoreStates in Philadelphia as a director. He will continue to do mergers and acquisitions, but will be working with a regional, instead of international, client base. Gordon will be a member of the Capital Markets group and work to secure and execute deals for their middle market client base. "There will be far less travel in this position, enabling me to spend more time with my wife and two boys," he says. He formerly traveled extensively in Europe, Asia, the Middle East and Latin America.

**William Nisser**

**MBA '86**

is working with Trygg Hansa in Stockholm, Sweden, as project manager for several projects as well as designer of the firm's Internet website and Intranet site. His wife, Katarina, works with clinical medicine tests and studies related to osteoporosis. "She also holds all the reins and drives the girls to their activities," William writes, "and makes sure the right child/husband is on the right spot preferably at the right time." Their two children, Helena and Carolina, are taking skiing lessons. Helena also attends a riding camp, and Carolina dances ballet. The family enjoys the midsummer festivities in their area, traveling and a host of other activities. And for one week in October, William can be found hunting deer in the Scottish Highlands.

**0 \*I Laura Trosino Kunewa**

**MBA '87**

Laura Trosino married Allan Kunewa of Honolulu, Hawaii, in February 1997. Laura and Allan live in Honolulu, where Laura is president of U-Med, a health care management organization that manages a health insurance company and a physician organization with 300 physician members. Laura writes that Hawaiian winters are better than those in Ann Arbor, but says she sure misses game days in the fall.

**QQ Andrew Bilello**

**MBA '88**

is now serving as assistant athletic director at Johns Hopkins University. Andrew re-

ports everything is going well in Baltimore, and he can be reached (for tickets, of course) at Johns Hopkins University, Athletic Center, 3400 N. Charles St., Baltimore, MD 21218.

**Margaret Leverich Blum**

**MBA '88**

is director of product development-textiles for Donghia Textiles & Furniture in New York City. Introduced to "the city" as a summer intern at Merrill Lynch, she moved there in 1988 as an associate at Citicorp Real Estate. "Banking was interesting and I traveled quite a bit, but I began to get restless," Margaret says. She changed careers in 1991 and is now working in the home furnishings industry. "I work with printing and weaving mills all over the world developing new products for the U.S. and foreign markets." In 1992, Margaret married Jonathan Blum, a news producer for ABC Television, and they have just bought a home in Harrison, N.Y..

**Steve Levine**

**MBA '88**

has been in Jacksonville, Fla., since September 1993 working in marketing for Vistakon, Inc., a division of Johnson & Johnson that makes the ACUVUE disposable contact lenses. He and his wife, Mary, and their two daughters, Jenny (6) and Katelyn (3), live in Ponte Vedra, a small beach community just south of Jacksonville. "It was a good move from Chicago!" Steve writes. He can be reached at slevine@visus.jun.com.

**Ray Kuramoto**

**MBA '88**

recently returned to London after five years in Tokyo and is working for Credit Suisse First Boston.

**Jorge Ramos**

**MBA '88**

recently repatriated from Mexico to the Steelcase corporate office in Grand Rapids, Mich. His assignment in Mexico was tough, he says, but he survived the financial crisis. The biggest and most persistent barrier was Hacienda (Mexico's IRS). Nonetheless, he reports the assignment was a good experience for him and his family. His biggest regret is that his three daughters will probably stop learning Spanish unless he and his wife speak it with them. Jorge can be reached at [atjramos@steelcase.com](mailto:atjramos@steelcase.com).

**Tom Sanko**

**MBA '88**

is currently working for InControl, Inc., a

development stage company that has created the first implantable atrial defibrillator. He is business manager for cardiovascular surgery. He and his wife, Vicky, enjoy living in the Pacific Northwest and hope to climb Mt. Rainier this summer. Tom can be reached at [TOMS@main.fsl.InControl.com](mailto:TOMS@main.fsl.InControl.com).

**Karl Siebert**

**MBA '88**

was recently reassigned at Air Products and Chemicals, Inc., moving from power generation to the controller's office as a financial analyst. He reports it is interesting to rebuild his MBA skills along with learning a new business. Karl is still involved in music, taking guitar lessons with 30 "40-something" guys. He and his wife, Laurie, are enjoying their three kids, Sally (6), Lauren (3) and Kyle (7 months). They are planning to move out of the city soon so their kids can enjoy a yard. Karl can be reached at [sieberkj@town.apci.com](mailto:sieberkj@town.apci.com).

**Q Q Thomas P. Harrison**

**MBA '89**

has left Ford Motor Company after seven years in sales and marketing and joined Carhartt, Inc. "Carhartt provides me with the opportunity to be directly involved in the strategic management of a company," Tom says.

**Wen-Hung Kao**

**MBA '89**

formerly marketing manager for Frito-Lay Taiwan, has been promoted to marketing director for PepsiCo Food International in China. He is responsible for developing and expanding the salty snack market in China. He moved his wife, Jan, and daughter, Lori, to Shanghai in February.

**Whit F. Stolz**

**BBA/MAcc '89**

married Courtney Stout in October 1996. In January 1997, they moved to Auckland, New Zealand, where Whit now works for the law firm of Russell McVeagh McKenzie Bartleet & Co.

**Qff Michael J. Clark**

**MBA '90**

is director of marketing for IEM Industrial Electric Manufacturing, the largest privately held manufacturer of electrical distribution products in the country. He and his wife Wendy welcomed their first son Matthew in 1996.



## Jane Schindewolf, MBA '91 Working Mother of the Year

Jane Schindewolf, MBA '91, was recently honored by *Working Mother* magazine as this year's "Working Mother of the Year" after being nominated by her husband, **Eric Romano, MBA '91**.

After the birth of their first child in 1991, Jane was grateful for her hospital's parenting program, but felt something was missing. The hospital needed a seminar for parents trying to make the difficult transition back to work. To remedy this, she co-created and currently leads return-to-work seminars for new parents for her employer, DuPont Company. Her seminar focuses on career planning and flexible work practices. "If you have flexibility, you can manage almost anything," Jane says.

Along with two co-managers, Jane supervises a team of some 85 sales and marketing professionals at DuPont, where she has worked since she completed her undergraduate degree in engineering. (She earned her MBA through the Business School's evening program.) The group is responsible for selling plastics,

fibers and other materials in the automotive industry. DuPont has been named one of *Working Mother's* "100 Best Companies for Working Mothers" every year since 1988. "Because of the help I get from DuPont, I have a deep commitment to the company," Jane says.

But it is still not easy to combine an executive career with motherhood, so Jane also has created a network for mid- to senior-level professionals and managers at DuPont who are confronting work/family issues. "There are not that many mothers of young children in the upper echelons of the company," she explains. "Women like me are already struggling to manage what's on our plate. We worry about accepting more responsibility and how we're going to do it."

DuPont and other area businesses joined together to share resources and ideas on how to become more family friendly. Dubbed the Family Works of Troy, Mich., Jane is DuPont's representative and was thrilled to be able to use DuPont's expertise to help other businesses.

She and her husband, Eric, and their two children, Lindsay and Emily, reside in Beverly Hills, Mich. "I love this whole experience because I love working with moms. They have so many questions, and I know I can help them because I've been there," she says.

### Daniel Frey BBA '90

has joined the financial reporting group in corporate accounting at First of America Bank Corp., a \$22 billion, multi-state bank holding company based in Kalamazoo, Mich. His new responsibilities include regulatory reporting, yield analysis of the bank's investment portfolio and other related duties. Dan also has taken up amateur bodybuilding and recently competed in the Kalamazoo Bodybuilding Championships. He will be competing in the Western Michigan Natural Bodybuilding Championships in Grand Rapids, Mich., on November 1, 1997.

### Stephen P. Lavey MBA '90

has just left the Bank of America's Environmental Services Lending Group in Chicago to become chief financial officer with American Disposal Services, Inc. in Burr Ridge, Ill. American Disposal is a \$100 million, publicly traded company in the environmental

services sector, with 450 employees in nine states. It is aggressively growing, Stephen writes, with an average of 10 acquisitions per year.

### Christopher Park MBA '90



was recently promoted to senior manager with the Michigan Practice of Deloitte & Touche Consulting Group. Chris, who received his bachelor of science in architecture

in 1987 and his master of architecture in 1990, joined Deloitte & Touche in 1994 and specializes in capital programs services, health care, manufacturing and information technology. He is also an associate member of the American Institute of Architects. Chris resides in Birmingham, Mich., with his wife, Kristen, and their three children.

### Paul A. Roberts BBA/MAcc '90

was recently promoted to international tax manager at Coopers & Lybrand LLP in San Francisco. More importantly, he and his wife Sarah are proud to announce the birth of their second child, Grace, in September 1996. Her big brother, Andrew, turned 3 in January. "With two children and my recent promotion, we are keeping busy!" Paul writes, with grand understatement.

### QI Joseph B. Bergmann MBA '91

reports that he is working for Siemens and now living in Munich, Germany. He provides business and sales consulting to Siemens' customers and distributors who are interested in either buying or selling complex telecommunication systems in Europe, Africa or the Middle East. "It's a perfect balance between technology and business," Joe says. "When I entered Michigan, I never imagined having an international career; but one semester in Europe changed my outlook. I strongly urge everyone to explore and utilize Michigan's once-in-a-lifetime opportunities and resources."

### Mark Brugger MBA '91

reports an interesting UM coincidence from last fall. He and a friend were vacationing in Spain and had taken a two-day trip to Tangiers to check out Africa. They missed the pre-arranged shuttle to return to Spain, and took a cab. When they got to the docks, standing right in front of them in line were Marty Sedwick (MBA '91) and his wife Shelly. They filled each other in on life since grad school while waiting for their separate boats. Marty is working in Europe, just outside France, for the Timken Company. Mark works for the Teleport Communications Group near Princeton, N.J.

### Maria C. Klutey MBA '91

is now director of U.S. Planning & Analysis for the Reader's Digest Association in Pleasantville, N.Y. Maria started with Amoco Strategic Planning in Chicago. She and her husband were both transferred to Houston 18 months later. Two years later, wanting to move back to New England, she was hired by Reader's Digest. "I was eight months pregnant when they hired me, which I interpreted as a

sign of a progressive company," Maria writes. She was manager of European Finance for 18 months before being promoted to her current position. She and her husband and two children reside in Ridgefield, Conn.

**Donald A. Nolan**  
**MBA '91**

was recently promoted to vice president and general manager of Valspar's Industrial Wood and UV Coatings business in Minneapolis.

**Andrew "Randy" Winograd**  
**BBA '91, JD '94**

was recently named chief financial officer and general counsel for HSI Productions Inc., a television commercial and music video production company with operations in New York and Los Angeles. Prior to joining HSI, he spent nearly three years with Pillsbury, Madison & Sutro, LLP, one of the nation's largest law firms. "After graduating from the B-School, I stayed in Ann Arbor to earn my degree from the law school and continue working for the University's Athletic Public Relations office," writes Randy, who now is perfectly positioned to attend the Rose Bowl.

**Marc A. Wites**  
**BBA '91**

recently published an article titled "The Franchisor As Predator: Encroachment and the Implied Covenant of Good Faith" in the Spring 1996 issue of *The University of Florida Journal of Law and Public Policy*. Marc received his law degree in 1994 from the University of Florida College of Law, where he served as a member of the Florida Law Review and Moot Court Board. He now practices complex commercial litigation at Homer & Bonner, P.A., in Miami. His e-mail address is: [hbpa@cofs.com](mailto:hbpa@cofs.com).

**Q0 Scott Stieler**  
**MBA '92**

left Dun & Bradstreet Corp. last year to join the Anglo-Dutch publisher Reed-Elsevier as their vice president of marketing. Reed-Elsevier focuses primarily on electronic opportunities within the legal publishing marketplace. On March 31, 1997, Scott and his wife Jean had their third child, Kent Scott Stieler.

**Q3 Terry Hamilton**  
**MBA '93**

is senior manager with Deloitte & Touche Consulting Group in Detroit. He worked

for the firm after graduating in 1989 from Wabash College. Then he came to Michigan for his MBA and returned to Deloitte & Touche. Terry, who makes his practice in the health care industry, says, "I welcome calls from any students wishing to learn more about consulting. I practice in the health care industry, working with physicians and organizations that own and operate physician practices. I probably have enough Hilton points to own a small hotel, but the work is very challenging." Terry and his wife Debbie reside in Livonia, Mich., and return to Ann Arbor several times a year for recruiting, ball games and an occasional deli splurge at the Maize & Blue Deli. If you wish to contact him for his consulting perspective, he can be reached at (313) 396-3134 or by e-mail to: [thamilto@dtus.com](mailto:thamilto@dtus.com).

**Karl A. LaPeer**  
**MBA '93**

is vice president of investment management with one of Michigan's largest private equity funds, Peninsula Capital Partners, in Detroit. Before attending the Business School, he spent seven years in robotics and automation engineering. "I did what the career counselors said not to do—have three jobs before finding the right one. At Peninsula I am both challenged and fortunate enough to be able to spend time with my wife and two young children."

**Thomas Peck**  
**MBA '93**



was recently promoted to manager in the tax department of the Michigan Practice of Deloitte & Touche LLP. Tom is a member of the Corporate Finance practice area, specializing in business valuations for tax, merger/acquisition and litigation purposes. He is a member of the Association for Investment Management Research, the Institute for Chartered Financial Analysts, the Michigan Association of Certified Public Accountants and the Financial Analysts Society of Detroit. He resides in Ann Arbor with his wife, Debbie, and is based in the firm's Detroit office.

**94 David Henstrom**  
**MBA '94**

is a project team leader with Cargill, Inc. in Minneapolis. Since graduating from the Business School, he and his wife and two boys have lived in Tampa and Minneapolis. They are expecting a third child as this issue goes to press. Dave notes that he ran his first

marathon this past year "in an attempt to overcome the curse of the 30s." He also works with a group of inner-city children trying to involve them in athletic activities and generally keep them out of gangs and trouble, a challenge he says he finds extremely rewarding.

**Arvind Malhotra**  
**MBA '94**

recently joined CBSI, a consulting firm in Farmington Hills, Mich., as director of business development. The company recently went public and is listed on NASDAQ. "The job is very challenging and on occasion draws upon the knowledge gained during my MBA years," said Arvind. His son, Sanchit, is now four years old. "One of my goals is to open an Alumni Club in India, if one does not already exist," he adds.

**95 Michael B. Adams**  
**MBA '95**

was selected by his co-workers as the Employee of the Year in recognition of his exemplary job performance and commitment to quality. Mike is engineering manager for Brazeway Inc., in Adrian, Mich., which is a supplier of components to the residential refrigeration and automotive air conditioning industries.

**Brian Jeffries**  
**MBA '95**

recently returned from an 18-month assignment in South Africa and was married on May 17 to Rachael Ratcliff-Smith. Rachael and Brian met in Tokyo while Brian was enroute to a William Davidson Institute internship in Shanghai. The wedding was attended by many Business School grads, including Lee Boyd, Lisa Andujar, Karen Wisham, Sean Hudson, Mike Barrett, Al Bowles and Ed Hightower. Brian is still with Gemini Consulting and doesn't yet know where he and Rachael will be living next.

**James Neuburger**  
**MBA '95**

is an associate with Booz-Allen & Hamilton in Los Angeles working with the Operations Management Group, aligned with the Engineering/Manufacturing Group. Jim reports most of his work is in the aerospace and automotive industries and has enabled him to work in Los Angeles, Seattle, San Francisco, Dallas, Chicago, New York, Detroit and other places.

**Jim Ryan**  
**MBA '95**

moved to Salt Lake City, Utah, immediately

# Calendar of Events

Here's a glimpse of Business School activities in the months ahead. Dates that are underlined are open to alumni and the Business School community. Dates that are not underlined have restrictions; call for details.

## AUGUST

25-Sept. 2: *MBA Leadership Development Program*

26-29: *BBA Orientation*

28: *Global Citizenship Day* MBAs, faculty, staff, corporate/nonprofit partners offer volunteer services at several sites in Michigan.

## SEPTEMBER

17: *Dean's Speaker Series* Aldo Papone, member, American Express Board of Directors/former chairman, American Express Travel Related Services, to speak; 4p.m., Hale Auditorium, UMBS. Call D.Sanford (313) 936-3515.

18: *Executive Skills Workshop* Robert J. Sternberg on "Developing Successful Intelligence," 6:30-8:30 p.m., Hale Auditorium, UMBS. Call S.Keller (313) 647-4919/[eskills@umich.edu](mailto:eskills@umich.edu).

19: *Presidential Inauguration for Lee C. Bollinger* 5K Run/Walk, North Campus, 7:30 a.m.; Academic Procession, Hill Auditorium, 10 a.m.; Installation Ceremony, Hill Auditorium, 10:30 a.m.; Reception, Ingalls Mall until 2 p.m.; Arts Symposium, "A New Leaf: Inaugurating \*YoHA,' Year of Humanities and Arts," Rackham Building, 3-5 p.m.

*National Black MBA Conference UMBS Alumni Reception* Wyndham Anatole Hotel, Dallas, Tex. Call B.Spight (313) 761-6033/[bspight@umich.edu](mailto:bspight@umich.edu).

25: *Dedication of William Davidson Hall* Renaming of Business School Tower. 4:30 p.m., UMBS.

26: *UMBS Board Meetings* Alumni Society Board of Governors, Corporate Advisory Board, National Campaign Committee, and Visiting Committee.

26-28: *Workshop on Organizational Change in Transition Economies* William Davidson Institute, UMBS. Call M.Lee (313) 763-5880.

## OCTOBER

3: *Executive Skills Workshop* Peter Turla on "Time Management Made Easy," 9a.m.-12:30 p.m., Michigan Room, UMBS. Call S.Keller (313) 647-4919/[eskills@umich.edu](mailto:eskills@umich.edu).

14: *Cleveland Alumni Club/UM Alumni Assoc.* Reception, dinner, dialogue with President Lee Bollinger," Landerhaven, Mayfield Heights, Ohio. Call Alumni Relations (313) 763-5775.

17-19: *Conference on Labor Markets in Transition Economies*, William Davidson Institute, UMBS. Call H.Martinson (313) 9360041.

21: *Ira Harris Distinguished Lectureship Series* Hon. Brian Mulroney, former Canadian prime minister, to speak. 4:30 p.m.. Hale Auditorium, UMBS. Call D.Sanford (313) 936-3515.

24-25: *Office of Tax Policy Research Conference* "Does Adas Shrug? The Economic Consequences of Taxing the Rich," Hale Auditorium, UMBS. Call M.Ceccanese (313) 763-3068.

31-Nov. 1: *Reunion Weekend Honoring Classes of '72, '87, '92, '96* (See below)

31: *Reunion Friday for Honor Classes-Executive Skills Workshop* Wayne Baker on "Networking Your Way to A Better Job and Thriving Career," 1:30-5:30 p.m., Rm B1270, UMBS; *Welcome Reception* 6-8 p.m., Executive Residence; *Go Boo Family Trick-or-Treat* 7-8 p.m.; *Evening on Main Street*, class dinners/downtown shopping, 8-midnight. Registration fee of \$40 per person for Fri./Sat. events excluding *Evening on Main Street* and football game tickets: \$20 for Sat. only. Call Alumni Relations (313) 763-5775.

## NOVEMBER

L *Reunion Saturday for All Alumni—Continental Breakfast* 89 a.m., Hale Auditorium Lobby. UMBS; *Executive Skills Workshop* Noel Tichy on "The Leadership Engine: How Winning Companies Build Leaders at All Levels," 9-10:30 a.m. Hale Auditorium. UMBS; *Football Tailgate*, immediately following seminar. Business School Portico: *Homecoming Football Game*, Minnesota at Michigan, time TBA \$20 per person excluding football tickets.

2: *Alumni Leadership Conference* for Club/City-Contacts, Global Blue Leaders. Reunion Planning Committee. Board of Governors, 8:30 a.m.- 4:00 p.m., UMBS. Call Alumni Relations (313) 763-5775.

7-8: *Fifth Annual Mitsui Life Symposium* Guest speakers: Eisuke Sakakibara, Japanese Vice Minister of Finance, Jeffrey D. Sachs, director, Harvard Institute for International Development; Hale Auditorium, UMBS. Call S.Stapish (313) 764-5222.

8: *Executive Skills Workshop* Gar Trusley on "Delegation: Inspiring and Developing Others," 9a.m.-12:30 p.m., Wolverine Rm, UMBS. Call S.Keller (313) 647-4919/[eskills@umich.edu](mailto:eskills@umich.edu).

13-14: *11th Annual UM Real Estate Forum* "The Expansion of Detroit's Metropolitan Airport/Its Impact on Regional Development." Nov. 13: Hvatt Regency. Dearborn, Mich: Nov. 14: UMBS. Call K.Closter (313) 764-4276.

20-21: *National Manufacturing Recruiting Forum* hosted by Tauber Manufacturing Institute and National Coalition for Manufacturing Leadership, Crowne Plaza, Ann Arbor. Call K Malinowski (313) 998-8160.

25: *Japan Alumni Club Lecture* Gunter Dufey on "Problems in Paradise: Financial Turbulence in Southeast Asian Markets," the ForumTokyo. Call: T.Suzuki at 81-054-202-0030.

## JANUARY

19: *Martin Luther King Jr. Day Celebration* Address by Clarence Page, columnist/editorial board member, *Chicago Tribune*, 1:30 p.m., Hale Auditorium, UMBS. Call D.Sanford (313) 936-3515.

after graduation to be district sales manager for General Motors' GMC Division. In November 1996, GMC merged with the Pontiac Division, and Jim relocated to Cleveland, Ohio, to be metro district sales manager for Pontiac-GMC. "It's been an interesting challenge joining the different cultures at Pontiac-GMC," Jim says. "I've had a great opportunity to experiment with some of Jeff DeGraff's change methodology theory." Jim hopes to take on a brand management assignment in the near future at the new RenCen headquarters in Detroit and eventually pursue an overseas assignment. "Living in Cleveland, I've returned to Ann Arbor a few times," he says. "Recently I attended the UM/MSU basketball game and hope to make some football tailgates this fall."

**96 Julie Ask  
MBA '96**

is an associate with the Operations Management Group in the Cleveland office of Booz-Allen & Hamilton. After receiving her bachelor's and master's degrees in electrical engineering and computer science from MIT, Julie worked as a project engineer for a subsidiary of General Motors in Wuppertal, Germany. After she earned her MBA, Julie decided to see some of the world before returning to work. Her travels took her throughout the western and midwestern U.S. in a 10,000-mile journey. Upon her return, she then headed to Ireland, Egypt, East Africa, Zanzibar, Mauritius, Malaysia, Hanoi and Ankor. "After that, we just plopped down at poolside/beach in Bali for three weeks to rest," Julie writes. "I'm looking forward to both my next assignment and planning my next vacation."

**Brent Baarda  
MBA '96**

is now a consultant in the Food Retail/Restaurant division of Senn-Delaney, a unit of Arthur Andersen LLP in Chicago. Senn-Delaney was private until about five years ago, when purchased by Arthur Andersen, and is the largest consulting firm focused on retail. Brent is joined by five UM MBAs from the class of 1995.

**Amy Bailey  
MBA '96**

is an assistant brand manager with Kraft Foods in Chicago. She works on the Kraft brand salad dressings business. Before business school, Amy worked for three years for Andersen Consulting building management reporting systems.



**Dawn McKinley Chien**

**MBA '96**

reports she and Andy have just bought a new home in the Washington, DC, area. "Employment is inevitable," Dawn says, now that they also have a wonderful new mortgage. She can be reached by e-mail: [Dchien@aol.com](mailto:Dchien@aol.com).

**Eric Harnish**

**MBA '96**

is part of the Pathways Leadership Development Program at Allied Signal and currently is developing marketing programs to expand the aftermarket aerospace business. Eric and his wife reside in Phoenix, and he reports they thoroughly enjoy the great weather in the southwest as well as the great hiking in the mountains in and around Phoenix.

**Janis Powers**

**MBA '96**

has focused her career on strategic real estate management, facilities planning and capital budgeting. After earning her BA in architecture from Yale in 1991, Janis worked as a facilities analyst for Chase Manhattan Bank in New York. Two years later she enrolled in Michigan's MBA/Master of Architecture program, spending one summer in Warsaw organizing the business practices of a small architectural and urban planning company. Upon graduation, Janis joined the Dallas practice of Deloitte & Touche Consulting Group, working in the health care area. She intends to continue working in health care and facilities planning, hoping to enter the growing New York and Texas health care markets.

land before joining the faculties of UM's Business School and School of Public Health in 1956 as an assistant professor. Within 10 years, he was named a full professor. Except for a visiting professorship in 1985 at the Harvard University School of Public Health, he served virtually his entire academic career at the University.

"Two hallmarks of Prof. Southwick's career were his concern for students and his emphasis on high-quality research," the University of Michigan Regents said when he retired in 1990.

Arthur wrote *The Law of Hospital and Health Care Administration* and numerous articles and book chapters. His scholarly work, which has had a significant influence on the development of hospital and health care law, is frequently cited in research journals and court decisions.

Arthur is survived by his wife, Elizabeth, his brother, two daughters and seven grandchildren.

Regents of the University:

Laurence B. Deitch, Bloomfield Hills; Daniel D. Horning, Grand Haven; Olivia P. Maynard, Goodrich; Shirley M. McFee, Battle Creek; Rebecca McGowan, Ann Arbor; Andrea Fischer Newman, Ann Arbor; Philip H. Power, Ann Arbor; S. Martin Taylor, Grosse Pointe Farms; Lee C. Bollinger, *ex officio*

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### Deaths



**Arthur F. Southwick, MBA '50**, professor emeritus of health sendees management and policy at the School of Public Health and professor emeritus of business administration at the

Business School, died in Ann Arbor on March 3, 1997. He was 73.

Born, raised and educated in Wooster, Ohio, Arthur entered the Business School's MBA program after graduating from Wooster College in 1947. He completed his business degree in 1950 and his law degree from the University of Michigan in 1951. For five years, he practiced law in Cleve-

**Mail to:** *Dividend*, The University of Michigan Business School, 701 Tappan Street, Ann Arbor, MI 48109-1234; **Fax to:** (313) 647-2401; or **E-mail:** [cshaw@umich.edu](mailto:cshaw@umich.edu). Your submission will appear in the Class Notes section of *Dividend* and *Dividend On-Line* and your contact information will be used to update our alumni database.

# Quote UnQuote

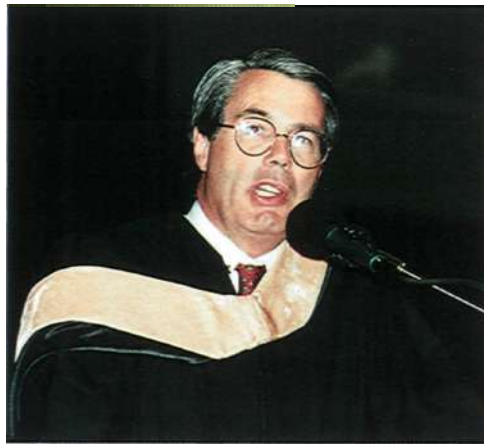
*A sampling of insights from faculty appearing in the media and quotations from guest speakers at the Business School.*

66 The gurus—most of whom started off as academics rather than consultants—have been responsible for all the more striking management ideas of the past few years. Two pairs of gurus have exerted more influence than all their rivals put together: Michael Hammer and James Champy, the fathers of re-engineering, and C.K. PRAHALAD [the Harvey C. Fruehauf Professor of Business Administration] and Gary Hamel, the authors of "Competing for the Future"....For the past decade Mr. Prahalad and Mr. Hamel have wielded the sort of influence with top bosses that make the McKinseys of this world a little nervous."

*"In Praise of One-Man Bands," The Economist, March 22, 1997*

66 High involvement companies are ones where the workers see a connection between the work they do and the goals of the organization. They feel they have an influence over some aspect of the work. Some people even say they own this part of the organization."

DANIEL R. DENISON, visiting associate professor of organizational behavior and human resource management, quoted in an article titled, "Company's 'Culture' Affects Bottom Line" that appeared in The Detroit News on Feb. 11, 1997. The article focused on a major study by Denison that links a company's specific cultural traits to performance measures such as profitability, market share, return on investment and innovation using an assessment tool he developed called the Denison Organizational Culture Survey.



66 In my first year on Wall Street [1968], trading volume of only 15 million shares a day was sufficient to create such a back-office crisis that the market frequently was only open four days a week and trading hours were shortened from 10 a.m. to 2 p.m. Now, the New York Stock Exchange trades over 400 million shares a day with another 500 million on NASDAQ with probably fewer back-office personnel and a lot fewer mistakes. This has allowed the total value of all American stock markets to exceed \$8 trillion. This is as large as the equity markets of Japan, the UK, Germany, France, Canada and Italy all put together. This extraordinary depth and mobility of capital has brought about a revitalization of the national industrial balance sheet. Not only are corporations as well-funded as they have been ever been, venture capital is bountiful for anyone with a good idea."

DAVID ALGER, MBA '68, is the president and CEO of Fred Alger Management, Inc., the New York-based money management firm, and the author of Raging Bull: How to Invest in the Growth Stocks of the '90s (1991, Business One Irwin). On May 2, 1997, Alger delivered the Business School's spring commencement address, during which time he made the statements quoted above.

66 CLAES FORNELL thinks lousy service distorts our picture of the economy. Prices may look the same, but the dollar doesn't buy the same service it used to. The result: inflation may be higher than we think. For now."

*The June 23, 1997, issue of Newsweek magazine included "Dissing Customers: Why the service is missing from America's service economy," a business article based upon the work of CLAES*

*FORNELL, the Donald C. Cook Professor of Business Administration and creator of the three-year-old American Customer Satisfaction Index. The quarterly index, which tracks customer satisfaction based on interviews with 16,000 consumers of 200 companies in 33 industries, has documented declining satisfaction in customer service every quarter since its inception.*

66 What we're seeing is that an incubator is more than just a facility. It's important that the companies not just have a place where they can have cheap rent, so to speak. There needs to be an active program of support for the businesses."

LAWRENCE A. MOLNAR, senior research associate, Business and Industrial Assistance Division, University of Michigan Business School, on National Public Radio's Morning Edition on June 16, 1997. Molnar co-authored a study on business incubators that found a 225 percent increase in jobs created per incubator between 1990 and 1995 and a 521 percent increase in revenues generated by incubator tenants in that same time period.



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## Black Business Students Host 21st Annual Conference

Nearly 200 participants—current and prospective students, alumni, faculty, corporate sponsors and guests — took part in one of the largest student-organized events of the year, and the largest single activity of the Black Business Students Association.

"Conference 21: The Future Is Now!" was held March 14-16 at the Crowne Plaza Hotel in Ann Arbor. The theme of the 21st Annual BBSA Alumni Business Conference was "Achieving Excellence Through Unity, Reflection and Renewal." **Eric Gilkesson, MBA2, Crystal Parker, BBA2, and Jeffrey Williams, MBA2,** planned the conference.

The three-day event began at the Business School. Prospective BBA and MBA students were given the opportunity to learn more about Michigan by visiting with current students, faculty and administrators.

Later, several teams of MBA students participated in the Ernst and Young Case Competition. The competition, which was judged by consultants from Ernst and Young, Booz-Allen, Andersen Consulting and Allan Afuah, assistant professor of corporate strategy, is the culmination of two weeks of teamwork devoted to resolving a real-world business problem. **MBA1 students Donald Houston, Bral Spright and Lewis Hennebrew** won the competition and will represent Michigan at the National Black MBA Association conference in Dallas this fall.



Nearly 200 people attended the Black Business Students Association's 21st annual conference, including (left to right) Sara Jackson, Monica Young, T. Eugene Munson and Mario Jenkins.

On Saturday, panel sessions addressed four topics: The Demystification of Mass Marketing, The State of Race Relations in Corporate America, Doing Business on the Internet, and Perspectives on Entrepreneurship.

Keynote speakers included author George Fraser; Jonathan Slocomb of the *Arsenio Hall* show; Keith T. Clinkscale, president and CEO of Fife magazine; and Don Coleman, president and CEO of Don Coleman and Associates Inc., and a Michigan alumnus.