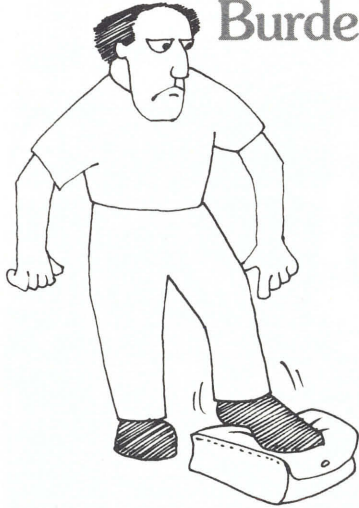


Dividend

The Magazine of the Graduate School of Business Administration • University of Michigan • Winter, 1981

Crushing
Burdens



Keep Your Eye
on the Ball



Old
Hat



The Smoke
of Battle



How To Say Nothing Well

Worthy Questions

Second in a series of profiles about various interesting research projects being done by Business School faculty

Why do people change jobs, particularly in mid-career? This question in many of its ramifications has been investigated over the past 10 years by Edwin L. Miller, professor of industrial relations and Raymond E. Hill, associate professor of industrial relations.

Miller and Hill's most recent work is a study they are doing at the Upjohn Company on highly qualified technical specialists who are changing their job orientation and becoming supervisory people. This involves a radical shift in focus—from data analytic activities to people-oriented activities—and requires very different skills. What differentiates people who make this transition from those who do not?

"In this project we are identifying about 100 people," explains Miller, "who have about six months' experience as supervisors and are now attending their first management seminar in the company. They are all highly qualified technically, and many hold advanced degrees. We are giving them a questionnaire designed to identify the personal factors, interests and motives related to their change from non-supervisory to supervisory jobs. We also want to explore on a longer term basis whether there are any relations between these factors and subsequent job satisfaction and performance."

Miller and Hill plan to follow their

sample for three to five years, and to compare questionnaire results with performance data and other personnel data. "We want to find out how well they are doing in the supervisory role," says Hill, "how satisfied they are, how productive they are, and whether they want to continue. One unpublished study showed that 20% of technical people in management positions wanted to return to the bench. If this is corroborated in our study, we'd like to be able to identify factors that influence people one way or the other. We hope the results of our study will be useful in vocational and career guidance."

Hill explains that in recent years researchers have concentrated their attention primarily on such problems as organization entry and the first job, but there has been less research on the job choice process of people in mid-career. For example, what factors influence managers to accept a new job assignment which requires them to relocate physically and to function in a new work setting? Miller and Hill have been investigating this question in collaboration with Edwin A. Schwarzkopf of Schwarzkopf Consultants, Inc. of Milwaukee. The 474 managers who participated in the study were reasonably successful and well established within their particular careers when they accepted a new job assignment within their company. "While it's important to

understand the general model by which people make job changes," says Miller, "it is much more interesting to find that there are likely to be significant deviations from the general scheme based on the life stage or developmental stage of the individual. For example, our study showed a 'career peak' in the late thirties, followed by a mid-life period of lessened competitive pressure. Job changers who were under 40 were promotion-oriented, whereas those over 40 were more interested in implementing their special competence."

"This finding," adds Hill, "supports other research that has been done in adult development, in which a period of career consolidation (happening in the person's 30s), is followed by a period of generativity, often expressed as a concern for the next generation, or as leaving one's unique creative legacy with the world. The fundamental change at mid-life is characterized by a process of turning inward, where enjoyment of life and work *per se* increases in importance. The person listens to his own uniqueness."

In another study on management mobility done by Miller in collaboration with Schwarzkopf, answers to survey questions were obtained from 689 managers, 512 spouses, and 35 executives and their spouses from a "control company" noted for its advanced personnel policies. Over 25% of the surveyed executives were

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Cover drawings by Scott McKowen

Dividend is published Fall, Winter and Spring by the Graduate School of Business Administration, The University of Michigan, Ann Arbor, Michigan

Editor: Pringle Smith

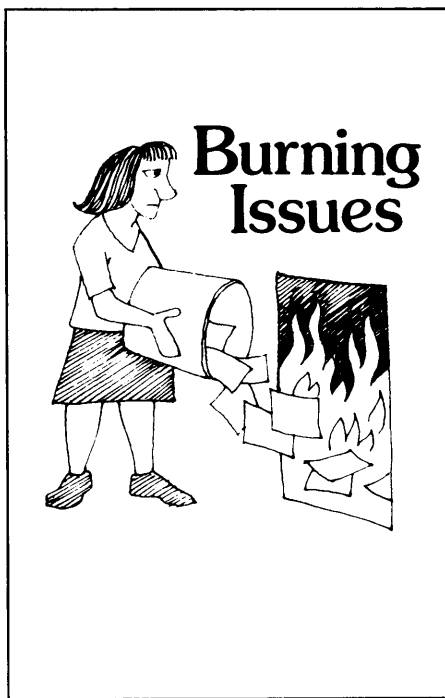
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at the vice presidential level, and 73% of the group had changed positions in the last five years. The study found that 53% of the survey respondents would be willing to change positions at no pay increase. Miller cites four reasons for the mobility of American executives: inability of employers to challenge younger professionals, the monotony of many managerial positions, the effects of stress involved in crisis management, and the increasing acceptance of mobility by the nuclear family. Consultant Schwarzkopf of the study team noted that few companies have effective career planning programs for managers, and that companies need to synchronize career goals of individuals with corporate needs. The survey found that executives from the control company with advanced personnel policies were only half as receptive to a promotional opportunity with a new employer than overall survey respondents.

Hill and Miller are in the process of compiling a book of readings on mid and late career transitions, which is going to be published by the Division of Research of the Business School. The book is a collection of research findings, they emphasize, rather than subjective impressions or essays on the subject. Publication is tentatively scheduled for early summer.

How to Say Nothing Well



Editor's Note: The art of sounding profound while actually saying nothing has been used by many a public servant, business tycoon, or bureaucrat at one time or another, and of course also has its experts in academe. Here a practitioner of the art is interviewed by a student.

Q. Professor, I'm told you're an expert in the art of saying nothing well. You have the guts to tell it like it is. May I chat with you about the world of business?

A. Sure. What do you want to know?

Q. Where do we stand? I mean, you know, you make many addresses to business students and I'd like to hear how you do it.

A. I know. It's a privilege and a pleasure, to be with you today. How's that? That's how I often begin.

Q. What then? That sounds kind of old hat.

A. Not on your life. An even better way is to talk about the young and eager faces, each one searching for tomorrow, reaching for the heavens . . . but I personally like this:

Dear friends. These great occasions call for great thoughts. The burning issues of today, I confess, are part of our challenging times. I cannot impress that fact strongly enough. Much has been done already. In

fact all great ideas have been nurtured in the grass roots of our country, by people willing to face the acid test. Your goals too should be high. Or in the immortal words of that seer from long ago, "A man's reach should exceed his grasp." So, let's get on with it. May the best person win, may the force be with you. Remember, you're the citizens of tomorrow.

Q. Sounds like that ought to be the ending.

A. Why?

Q. You're putting the peroration first.

A. No. You confine yourself to first getting their attention. I call that one of my light hearted openings. I'm also serious:

Dear friends: these are trying times. You stand at this moment of crisis on the water's edge of your careers. My generation has made a mess of things. We've tried to fight the good fight. But we're falling behind. We

About the author: Dr. Hildebrandt writes and lectures extensively on communication in business and industry, and has made an informal study of the cliché. His new book *International Business Communication: Theory, Practice, and Teaching Through the World* will soon be published by the Division of Management Education of the School.

by **H. W. Hildebrandt**

Professor of Business Administration & Communication

are battle scarred veterans who now put the future in your hands. We're threatened abroad and at home and we look forward to your new hands on the reins, fresh insight for the future . . .

Q. Interesting. I'm sure audiences like that.

A. Right on.

Q. I take it, then, that once you get their attention you move into real substantive points.

A. Yes.

Q. For example?

A. Inflation.

Q. Inflation?

A. Sure, here's how: One problem towers above all the rest. It has tried men's souls, quickening often during political campaigns when talk is loose and words are free. It makes no difference which party is in power, for both are guilty. But I say the time for narrow partisanship is over. We're slipping away from the doctrine of the founding fathers; we're being led down the road by Pied Pipers playing siren songs that will bleed the taxpayers white. Inflation. That's the cause. Sorry leadership, tragic lack of foresight, mounting disclosures—all have shackled the taxpayer to the wagon of inflation.

Q. Wow . . .

A. Never fear. These troublesome times, this age of crisis, this age of inflation demands the best from all of us. But particularly you: your ambition, ideals, energy that many of us have long since lost. It's time for a new view, a new broom to sweep away the cobwebs of old economic theories. We've failed to preserve.

Q. Preserve what?

A. Our ancient heritage.

Q. Oh.

A. Then there is corruption.

Q. Professor, I get the point.

A. Let me finish. We're in a reckless age, an age of disappointment. I speak from the heart, of one who knows, that political expediency has replaced the golden rule.

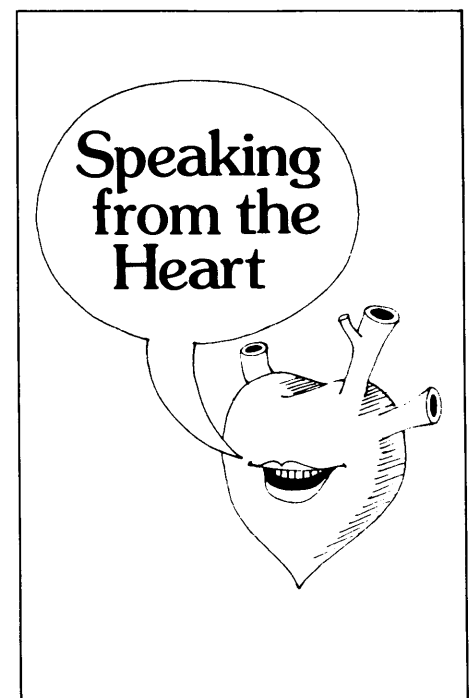
Q. But not all things are so black and white.

A. Analogies help.

Q. For example?

A. Take sports. There's a lot of similarity between running a business and playing the game: you've got two choices, either you're going to put the ball across and score or you're going to die on third—haha—little mixed metaphor there, but you get the point—team work. That's what it's all about. Don't fumble, don't step out of bounds, and keep your eye on the ball.

Q. How do you end your speeches?



A. Quickly.

Q. Do you have a sample?

A. I've got two: so, that's it. I don't have all the answers. It's squarely up to you. I know one thing, as you round the homestretch you've got to take big steps; have supreme goals; believe in solemn obligations; maintain eternal vigilance; and above all get below the surface. Or, how's this: As I gaze across this vast assemblage, I cannot help but feel that business is in good hands. Your responsibilities

and challenges are clear. Our generation has not kept the faith; we have betrayed our trust with sorry promises and illspent power. But you, now eager to grasp the ring of the future will get our support, our hope, and our prayers.

Q. That should do something.

A. I hope so.

Q. Do people really like to hear all that stuff?

A. Yes.

Q. How do you know?

A. Listen to some speakers. Read their talks. It's there.

Q. What about criticism of other presentations. Do you find much fault in their words?

A. They're too bland. Students of today must hear about the smoke of battle, the hour of decision, the cornerstones of freedom. Those ringing tones are lost. Even my thoughts on the government are so expressed.

Q. For example?

A. Free market forces are being strangled by government. Indeed, the engine of free enterprise is sputtering because we're asked to reorientate the driver. Government calls for a breakthrough while in truth we're trying to be taxwise, inflationwise, populationwise, dollarwise. But I don't wish to oversimplify. Here are the facts. Government is meddling. The rights of many have been trampled upon. The cornerstones of freedom have slipped and been dented. We are mired in waste, involved in foreign entanglements, when we should be well knit and fast moving. We do not need run-of-the-mill thinking, uneven procedures, or slick gimmicks. Give us fresh insight. Give us mainstream thinking. Opportunity waits. Crushing burdens affect us all.

Q. Interesting.

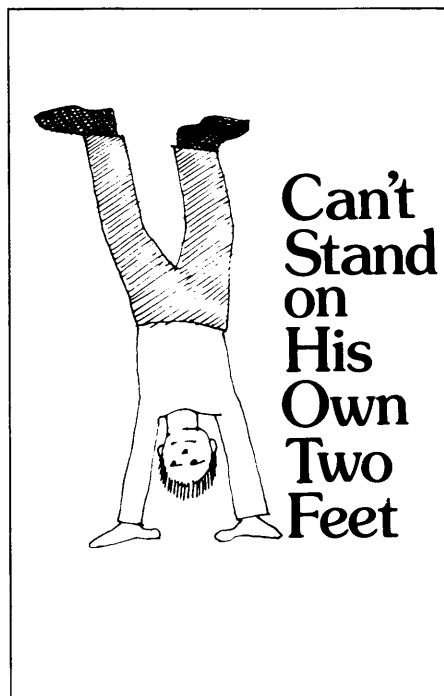
A. Well, many of us think alike.

Q. I see that.

A. In fact I've got a whole bag of ideas on various topics which I simply drag out at the right moment.

Q. Kind of like a book of commonplaces?

A. Right.



Q. You really collect all that material?

A. Yes, I'm proud to assert.

Q. I'd like to attend one of your lectures. I bet you get your classes started in good style.

A. I start this way. Good morning. Welcome. Good authority tells me you're a bright group. This term we'll build on a sure foundation, meeting all problems head on. We'll learn about the scars of the depression; the money changers in the temple; the tycoons of industry. Our authors will push us to greater deeds. They will help us to achieve our goals, forge issues, and follow in the footsteps of great pioneers. Our solemn task is to carry their banner forward. We will not ignore them, we will not forget the past; we

will build on it. We are ever mindful that all views must be heard, all sides explained. But in the end right will win out and all of you will know that justice will triumph. Any questions?

Q. Do you get any?

A. Oh yes. They want to know how I will grade.

Q. Figures.

A. We get to that in the third period.

Q. I take it that you have not wavered in your approach?

A. In what?

Q. I mean, where did you learn all those set phrases?

A. From Americans in all walks of life.

Q. But aren't some of them old?

A. Sure. But with enlightened self-interest they're given a new twist.

Q. Fearlessly?

A. Yes. Speaking, teaching, writing demands facing reality. I need not remind you that business education today—it is my firm belief—is facing its greatest challenge.

Q. How do you stand?

A. Four square. I have an abiding faith in my solemn obligations. Our enlightened cause should not have the finger of suspicion pointed at it. That's the trouble, too many people do not put aside personal ambitions. I personally take great pleasure in not whittling away at God-given rights—that have been ours for generations. Things work out for the best, but it still takes people with clout to strike when the iron is hot.

Q. Professor, I gotta go. But you've helped me. You've given me words to live by; you've given me some know-how. If I hesitate, I'm lost. I've set my sights high to use your cliches. They save time, lots of time—and time is money. See, I sound like you already.

A. Go, and do likewise.

Highlights from the experience of MBA student Ellen Ernst, who spent last summer in Tokyo as one of five Japan Society interns

Working for Hitachi, Ltd.

Editor's Note: Ellen Ernst, second year MBA student, spent last summer working for Hitachi Ltd. in Tokyo as one of five interns cosponsored by Japan Society and The International House of Japan (other interns came from business schools at Harvard, Yale, Stanford, and UCLA). Purpose of the internship is to give business students an opportunity to learn firsthand about Japanese business methods, structure, and management. An independent committee of three American and three Japanese leaders select the candidates. In the following interview, Ellen talks about some of the highlights of her summer experience.

Q. Could you give us an idea of a typical day at Hitachi?

A. First, just getting to work was an adventure, because it involved riding the Tokyo subway at rush hour. I would arrive at work a little before 8 and change into my uniform.

Q. You had to wear a uniform?

A. Yes, all the women wore uniforms, but not the men. The company believes that women tend to be preoccupied with their appearance, and so wearing a uniform on the job keeps them from being distracted by how they look. The day would begin by all of us standing at our desks and doing calisthenics, follow-

ing the boss. They played music during this time. It was like Jack LaLanne, only in Japanese.

Q. How long were the calisthenics?

A. Only about five minutes. The idea behind it (besides health reasons) is to give you the mind-set "you're at work now." It was a kind of discipline.

Q. And after the calisthenics, then what?

A. The secretaries served tea to everyone, and then we all started work.

Q. And what was the office like?

A. I worked in a section with six people. There were six desks in the room—one for each of us, and the boss was right there with us all the time. It was quite difficult for me at first. In this country, I'm used to being told, "this and this needs to be done—go ahead and do it." But there, you had to have outlines and outlines and outlines before you got a go-ahead.

Q. Can you tell us a little about Hitachi as a company?

A. Hitachi Ltd. in Japan is like a combination of GE and IBM. It is a big, diverse, technically advanced company that manufactures everything from consumer goods to heavy industrial equipment; from computers to refrigerators. Its revenues are in the range of more than

\$12 billion per year, ranking it among the largest industrial firms in the world.

Q. What exactly were you doing in your job?

A. I had a fascinating assignment. I was assigned to write a textbook on Japanese personnel practices for use in a course Hitachi runs for its overseas, non-Japanese managers. Twelve managers are chosen to come to Japan for an intensive three week course. The purpose of the course is to create greater harmony and understanding between the parent company and its subsidiaries. They needed a booklet, written in English and from a western perspective, explaining Japanese personnel practices. I was assigned to write the booklet.

Q. But how do you know about Japanese personnel practices?

A. I had to learn. Just about every day I met with one or another Hitachi manager who would teach me about various aspects of the company. The booklet covered manpower planning, quality control circles, labor relations, safety and health of employees, education (companies plan a lifelong education for their employees) and what they call "welfare," which includes dormitories provided for the male employees by the company, clubs for the employees on various interests, etc. I needed to explain *why* they have

a welfare system, why they provide company housing, etc.

Q. *How long did the booklet turn out to be?*

A. It was about 150 pages, which, incidentally, I had to type myself. A lot of the secretarial work there is done by hand.

Q. *Well, what about Japanese personnel practices? Can you talk a little about their ideas on employee relations?*

A. Basically, the Japanese company sees its human resources as long term fixed assets, because most of the employees are employed for life. The company is very involved in the personal life of its employees. The company helps you plan how to buy a house, lends you the money, vouches for you at the bank, provides money when your child gets married, and sponsors trips for employees. And the employees really identify with the company. People will tell you what company they work for before they tell you what they do.

Q. *Why does the company become so involved in the personal life of the employee?*

A. There is a lot of emphasis on harmony; harmony between the company and the employee of course, but also between the company and the employee's family, and between the company and the community. They believe that only with harmonious relationships among all these factors can the company grow strong and be most effective.

Q. *Can you comment on the idea of lifetime employment?*

A. I once asked my boss why everybody was so cooperative. There didn't seem to be much competition between people at the office—you know, people trying to show they were better than the next person. The boss explained that the average promotion is once every five years and is based more on age with the company than on merit, at least at the lower levels. So you don't need to try to undercut somebody else, or show you are better than they are—you know you are going to be promoted *anyway*.



The six people in Ellen's section at Hitachi, including her boss, all worked in the same room. She is pictured here in the Tokyo office.

Q. *Merit does not enter into promotions?*

A. At Hitachi at medium and higher levels, merit begins to make a difference, but not at the lower levels, and even at higher levels in many companies, age with the company is the major determinant.

Q. *Doesn't that lead to a lot of dead wood?*

A. Yes, there is some dead wood, but they sideline those people—they don't fire them. An interesting sidelight on lifetime employment is that it applies more to the white collar than the blue collar worker. For example, 67% of Hitachi's blue collar workers are there for life, whereas 95% of the white collar workers are lifetime employees.

Q. *Why is that?*

A. I think the blue collar workers have an independent skill which can be hired in the marketplace, whereas white collar workers are trained in

the practices of that particular company. Companies like to hire what they call "virgin labor"—people who have not worked for any other company. And a white collar worker out of a job would be suspect—the question would be, why didn't he work out at his original company? It might be quite difficult for him to find another job. By the way, everything I'm saying here really applies only to *men*. For women, everything is very different.

Q. *In what way?*

A. The women are virtually all secretaries, no matter what their education. The two women in my section had four years of college, both had had scholarships to study in the U.S., and one had spent a year in Boston studying. They were both secretaries. Also, it's the custom for women to leave work when they marry.

Q. *Did you have trouble getting to know the women in the office?*

A. No. At lunchtime, the women sat on one side of the company cafeteria and the men on the other. This gave me a good opportunity to get to know other women workers. I was basically the second foreigner to work at headquarters, and needless to say, uniform or not, I most definitely stood out at lunchtime.

Q. *Did you feel a little strange, being a woman and having a professional job?*

A. Yes. They were very curious about me and kept asking me if I had a boyfriend, and when I was getting married? Once someone came to the office with some material for me, and he gave it to one of the men in the office to give to me, even though I was right there.

Q. *It obviously was very unusual for them to have a woman in a job such as yours. How did that happen?*

A. My boss was very "liberated." He had lived in the U.S. for four years, and had read a great deal. He also had a working wife, something unusual in Japan. His wife is a talented artist with an excellent reputation nationwide.

Q. *How did you make the point that you were a managerial type—not a secretary?*

A. The secretaries all left at 5 p.m., whereas I worked late. My project had to get finished in the time I was there, and I worked many 14 hour days. A lot of work of the company goes on after hours. The men often stay late, go out to dinner together, and come back to the office and work some more. Since I also was staying late, I would go out to dinner with the men, and they came to accept me as a managerial person rather than a secretary.

Q. *Did you ever go on any trips sponsored by the company?*

A. Yes. I went with some of the women in the company for an "exercise weekend" at Nikko, a beautiful spot where the company has an exercise camp. Throughout the year, several trips are sponsored for

"67% of Hitachi's blue collar workers are there for life, whereas 95% of white collar workers are lifetime employees."

members of a section, so that they will get "a good feeling together." During this weekend, everything was very communal. In the morning, we did three hours of exercise, then had lunch, then went sightseeing around the shrines at Nikko, then had a communal Japanese bath, then dinner, and ended the day with Japanese folk songs. I enjoyed it very much, but still felt very different. First, Japanese women are so tiny—I felt *huge* compared to them. And they don't exercise as vigorously as we are used to doing.

Q. *How did you use your leisure time?*

A. The five Japan Society interns were treated like young representatives of American business, and many activities were scheduled in leisure hours so that there could be an interchange between us and representatives of Japanese business. For instance, we had dinner with the president of Fuji Xerox, we met with the ministry of international trade and industry (the government organization in charge of business), we were interviewed by the Asian edition of the Wall Street Journal, and we met with Keidandran (the Japanese equivalent of the Business Round Table).

Q. *Where did you live when you were in Japan?*

A. At International House in Tokyo, where all the visiting scholars that come to Japan live. The men interns moved out of International House after about a week and a half and went to live in the dormitories of whatever company they were working

for, but there are no company dormitories for managerial women, because there are no managerial women.

Q. *What about the company dormitories?*

A. They are very cheap, and provide a good place to live in housing-tight Japan. They give young people a way to move out of their family's house before they get married. However, people who have not married by the time they are 30, must move out of the dormitory anyway.

Q. *How did you find out about the internship?*

A. I saw a poster about it on a bulletin board here and applied. I felt very honored to be chosen, as only about 2% of applicants get an internship. Along with information on our academic and professional background we were required to write an essay on why we wanted to do business in Japan, what we expected to learn, and what kind of firm we wanted to work for.

Q. *Can you tell us a little about your background?*

A. I am primarily interested in personnel and labor relations. My undergraduate degree was in psychology from Mt. Holyoke, and I think a major factor in getting the internship may have been my summer work experience. I had worked as a legislative intern in Washington one summer. Another summer I worked for the U.S. Commission on Civil Rights writing two government directories on sex equity in education and employment. I had also worked one summer for Deere and Company as an intern in personnel and industrial relations, and had spent time in England taking a course on trade unions during my junior year.

Q. *As you look back over your summer experience, do you have any particular thoughts on why Japan is so successful and so competitive?*

A. In Japan, it seems to me, companies tend to capitalize on their strengths, whereas in America we protect our weaknesses.

Putting an Elephant Into a Box

“That first summer we found out how big the elephant actually was,” says Don DeSmith, Research Associate with the Database Systems Research Group, talking about the first year of a three year research project funded by IBM. The task was to develop a distributed data system using the IBM Series/1 computer. “We read a lot of articles and wrote a design paper. There were four of us: Houtan Aghili, Ph.D. student working with Dennis Severance in the School’s Computer Information System Program; Mike Grocock, an MBA student; Bill Matthews, an MBA; and myself, just finishing my graduate work. That summer, under the guidance of James P. Fry, Director of the Database Systems Research Group, we sketched out the elephant.”

What exactly, *is* the elephant? It is a large-scale information system which distributes the information resources of a business enterprise on multiple computers. The system allows data to be stored at many different locations but “remembers” where it is stored, allowing the user to access the data as if it were stored locally. Such a system makes the decentralization of computing resources possible, as in the case of a chain of stores where the order entry and inventory functions are performed locally at each store. The functions previously performed by one large computer at headquarters could now be performed by the network of smaller computers in a more flexible, reliable, and cost-effective manner. In this case, the “elephant” knows all. People using the system don’t have to know where the data are stored—they just access it. Our elephant also has a color which reflects how it is seen by users. This color is “relational”—an elegant, mathematical color—which allows people to understand their data easily.

The research needed to develop such a system deals with complex technical issues such as synchronization of data, query processing strategies, and failure resiliency. The name of such a system is the Distributed Database Management System—our elephant.

The series of cartoons shown here were drawn by Shoko Tsuji, an undergraduate student in Computer and Communication Sciences, who joined the project in the summer of 1980 to work on the implementation of the system. Working along with her were other members of the Database Systems Research Group—Curt Cole, Jon Reinke, Steve Haffey, Jeff Diewald and Mark Smitter. These six made up the “implementors,” while the four mentioned earlier are the “designers.”

The drawings shown here began when the team was preparing the first project review for IBM. For a little humor at the end of the talk, Don drew a picture of the elephant and the box. Later, Shoko drew the whole series showing the project as it has developed over time.

The first and second pictures of the series represent the beginning of the summer of 1980. The designers have given it their best, but have worn themselves out. The elephant is, most definitely, too big for the box. What to do? In step the implementors.

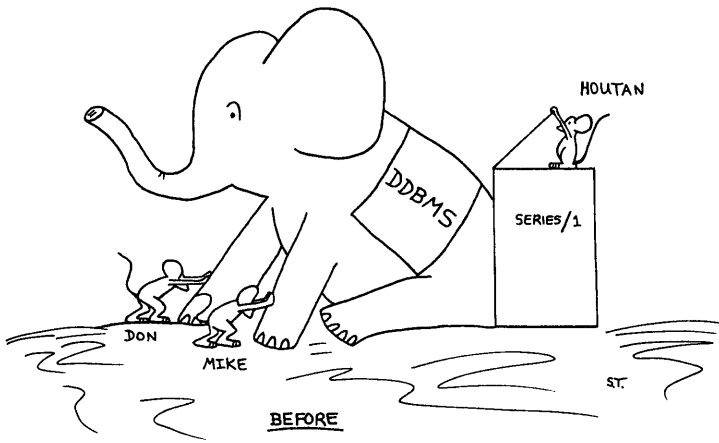
In picture three, the elephant is shrinking, thanks to the wizardry of the implementors. “In fact,” says Don, “we were implementing a simplified version of our master plan. When we drew up the master plan, we knew we were conceptualizing more than we could actually accomplish, but we planned to start big and work our way down. The simplified version of our system was not able to do quite everything we had hoped for, but we were getting a wonderful learning

experience. We were taking our plan from paper, working with the computer, and seeing what problems came up.”

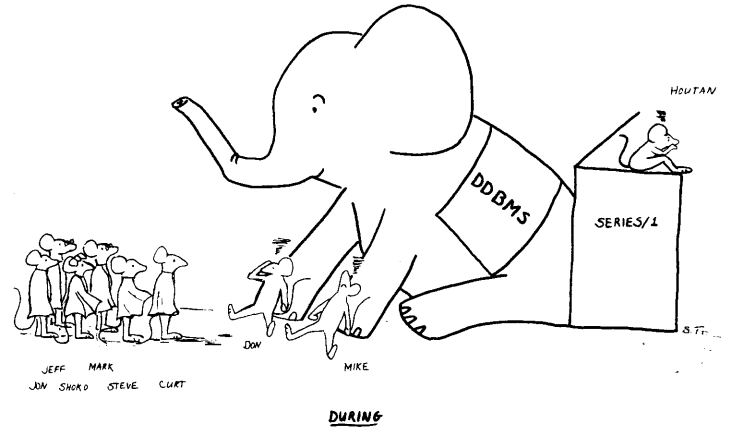
In picture four, the elephant is indeed in the box, but “you get this feeling that something’s going to go wrong,” says Shoko. “All is not quite as well as the implementors had thought. Now you start thinking about how to make the elephant closer to the original plan, because getting the elephant into the box meant—not just that the elephant was smaller—but that we had actually lost some critical body parts, they had been amputated and we wanted to put those parts back. But our idea was to get it in the box, and then let it grow and keep it in the box at the same time.”

Pictures 5 and 6 represent hopes and fears for the future. “Next year,” says Don, “we hope to get the whole elephant, or nearly all of it, into the box without having to amputate very much.” Picture five represents the worry that maybe the elephant will grow so big that the whole thing will blow apart. Or maybe, as in picture six, the elephant will settle down and inhabit the box nicely. It will definitely be a tight fit in any case. Time will tell.

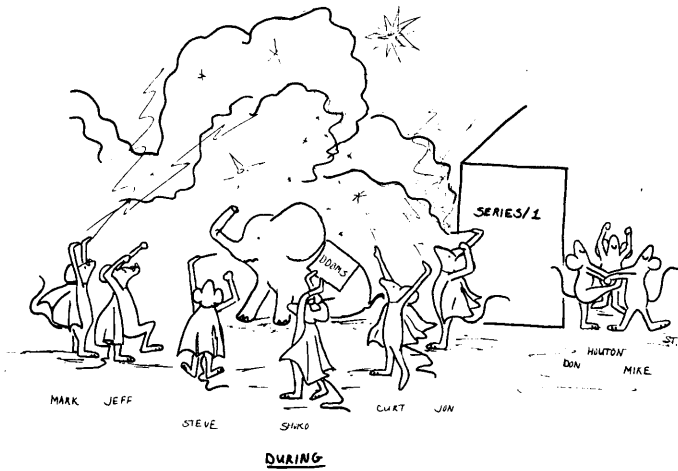
The project described here is one of three funded by IBM, which has provided five Series/1 computers, along with several video display stations, disk storage units, and a line printer for each computer, to be used over the three years of the project by faculty, staff, and students at the Business School. The other two projects involve ways to use the Series/1 in the classroom and in the MBA program. Interesting developments in these and other projects will be described in a future issue of *Dividend*.



Summer, 1979: "That first summer we found out how big the elephant actually was."



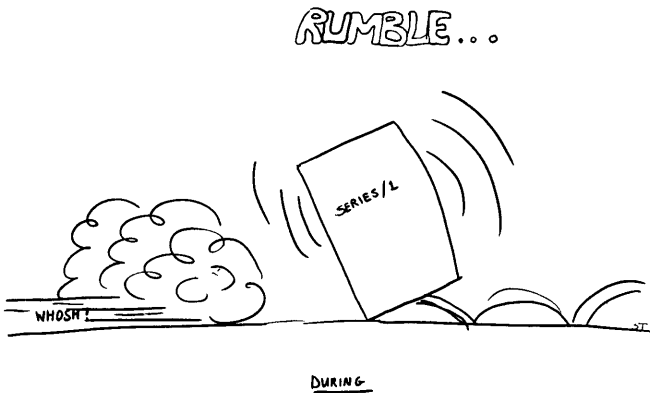
Summer, 1980: "The elephant is, most definitely, too big for the box. What to do?"



Summer, 1980: Implementing a simplified version of the master plan.



Summer, 1980: The elephant is in the box, but you get this feeling that something's going to go wrong.



Future, 1981: How to let it grow and keep it in the box at the same time? Maybe the box will explode?



Future, 1981: Portrait of an elephant in a box.

“The possibility exists that the U-M could drop out of the elite group of universities in this country if major changes are not made within a year or two at Michigan.”

Hard Times at the U. of M.

Editor's Note: An article by Don Hunt, writing in the *Ann Arbor Observer*, knowledgeably summarized the increasingly tough financial situation of the University, and discussed its implications in an interview with President Harold Shapiro. Excerpts from that article, as well as the interview with Shapiro, are reprinted below by permission of the *Ann Arbor Observer*. They are accompanied by a brief interview with Dean Whitaker, in which he comments on how the fiscal crisis affects the Business School specifically.

In constant dollars, state appropriations to the general fund of the U-M Ann Arbor campus have declined from almost \$73 million in 1972-73 to less than \$56 million this coming year. Only by deferring needed maintenance, limiting departmental expense funds, and reducing non-academic staff has the university managed to remain competitive in the critical area of faculty salaries.

From 1968 to 1978 Michigan faculty salaries—among the top in the country—have dropped about 15% in constant dollars. In the same time period, the average American worker gained 13% in real income. That's a whopping 28% difference.

There are strong indications that even with the general recession in American higher education, the U-M is going to fall significantly behind other top universities if adjustments are not made soon to rechannel its increasingly limited funds. The most recent automobile recession has many wondering if the state economy will ever be the same again. The possibility exists that the U-M could drop out of the elite group of universities in this country if major changes are not made within a year or two at Michigan.

U-M President Shapiro, himself an expert in economic forecasting, sees the writing on the wall and is actively preparing the university community to adjust to the new economic realities. Shapiro's position is straightforward: he sees the number one priority as maintaining the university's faculty excellence. To do this, he says, some significant number of weaker academic areas are going to need to be cut, freeing up money to keep the most outstanding U-M programs well funded. There is widespread support among the university faculty for Shapiro's strategy. But many at the U-M question whether the university will be able to prune

its weaker academic areas effectively. Like most large American universities, the U-M is highly decentralized. It is a community of scholars, not a rigidly hierarchical organization. Decisions about academic programs are for the most part made by faculty committees moving at a slow, deliberate pace. According to a good many of the faculty chairmen interviewed for this article, the chief pitfall lying ahead for Michigan as it moves to contract in size is the possibility that faculty committees will not have the determination necessary to make inevitably painful, often controversial cuts of staff and programs. Most likely the faculty whose programs are cut will raise a storm of protest, mobilizing students, alumni, and other faculty to protest the decision. After all, there is no clearly perceivable criterion for labeling an academic program “weak” or “strong.” Such an assessment is made on the basis of myriad factors which must be weighed subjectively. Bitter arguments could go on forever, consuming enormous amounts of faculty time and delaying vitally needed cuts.

In the following interview, President Shapiro discusses the implications of the budget crunch, and some strategies for maintaining quality.

The present budget crunch facing the university may well be the most serious problem the U-M has ever faced. Many faculty chairmen are saying that if the problem isn't handled adroitly, the U-M is in danger of falling sharply in faculty quality. Do you agree with this assessment?

Shapiro: It certainly is a very serious challenge. I am in no position to say if it is the most serious challenge The University of Michigan has ever faced. It is the most difficult *fiscal* challenge we've faced in the last twenty or thirty years. In another way of looking at it, the situation of building the university—let's say after the Second World War—was just as serious a challenge. It was not a fiscal challenge of this nature. But it was equally serious and required equally adroit behavior. If anything, it was as difficult a situation as the one we face now. The choices were different, and you didn't feel hemmed in so much because you were expanding and had positive choices to make. But still, the choices could have been incorrect, and The University of Michigan could not have sustained the distinguished programs it has if those decisions had been wrong. There were lots of universities growing in those years, and very few grew as productively or with such quality as The University of Michigan. So that was, in my view, an equally difficult situation.

The danger exists that if we don't handle the situation adroitly, to use your phrase, then of course the university's quality will suffer. But it needn't. We could even end up being a better place. But it has to be handled well.

This depends not only on the people in the central administration, but on important, courageous decisions being made everywhere in the system.

Most faculty seem to agree that a university is ill-equipped to deal with crises like the one the university now

Some Comments from Dean Whitaker

Dividend: Can you give us some insight into the Business School's plans for adjusting to the difficult situation the University faces?

Whitaker: The Business School faces the very difficult problem of maintaining quality teaching and research programs in the face of record enrollment. We are also midway into the process of incorporating our evening (part-time) MBA teaching into regular load and that process will continue as it is self-financing. However, we are examining very carefully our support staff and our teaching programs to ensure that we are as effectively and efficiently staffed as possible. This may mean cutting back efforts in courses which are not mainstream and it has meant reducing some staff positions to three-quarter time. The faculty executive committee and I are continually exploring options of this kind. Our plans to reduce student-faculty ratios have been set back. We will continue to aggressively seek privately endowed professorships, scholarships, and research grants so that our general funds support (state funds plus tuition) can be stretched further. Next fall our entire Division of Management Education and our entire alumni and development programs will be self-financed. This step is being taken several years ahead of plan and merely absorbs partially our budget reductions rather than releasing general funds for other activities.

Dividend: In view of the drop in faculty salaries, is the Business School going to have trouble keeping its quality faculty?

Whitaker: Faculty salaries have declined relative to private sector salaries and this fact will make

it difficult to attract the best people into academic careers and to retain the best people. President Shapiro's goal of a better compensated and better supported faculty is a must if we are to remain a top school. Private support is vital to achieve this goal and will be increasingly so. Private and public-assisted universities will become more alike in their total sources of support and it is vital that we increase the private components of our support if we are to remain competitive with other institutions for the best faculty.

Dividend: Is our teaching load increasing?

Whitaker: The teaching load in the Business School is increasing in that average class sizes are increasing. We are striving to reduce numbers of different course preparations for faculty, so that faculty may devote maximum time to somewhat larger classes and to their vital research programs. This may result in the loss of some desirable and popular elective offerings which we could schedule in better economic circumstances.

In summary, these budget reductions are requiring us to use our limited resources ever more carefully and to redouble our efforts to find additional external sources of support. We are confident that with our dedicated faculty, our loyal alumni, and with the support of our friends in the business community, we can weather these hard times and emerge even stronger. It will not be easy and there will be occasional setbacks, but the importance of the goal makes it essential.

Traditionally, Michigan has attracted top recent PhDs by providing a much better prospect for making tenure than at a Harvard or a Wisconsin. Won't this attraction be eliminated in the future?

faces. It is too democratic, too obsessive in its decision-making—in short, too slow moving. There seems to be surprising consensus among the department chairmen I've talked to that you and Vice President Frye will have to take charge if the crisis is to be dealt with effectively. Obviously you would still get as much faculty input as possible. But with that in mind, are you prepared to make major, necessarily unpopular decisions in order to keep the university among the top in the country?

Shapiro: The university is a slow-moving institution. I accept that. I think that's a source of strength as well as a source of weakness because other kinds of institutions can move too quickly—responding to stimuli which turn out to be short-lived. I think it is true that the executive officers will have to take charge, if you mean to insist that decisions be made. But I think it is incorrect to think we are actually going to make all the decisions. Our expertise does not extend that far. We are going to have to exert some leadership, but we are going to need partners in making decisions. If you mean that we are going to decide which area of high-energy physics we're going to remain in and which we're not, I think that decision has to be made by people who know more than we do.

What if a department keeps obsessing. What then?

Shapiro: We cannot save a department from its own inadequacies. All we can do is give them incentive and appeal to their natural pride, which is very high in most departments, to participate in this process as a way of maintaining the quality of the department or unit. Obviously we will end up favoring those units which show themselves capable of mounting credible adjustment plans.

There is a good deal of skepticism among seasoned university administrators that eliminating sub-departmental programs is going to save that much money. Some are saying that what the university ought to do is to target one or more of its larger, weaker schools such as the School of Education for elimination. Would you flatly rule out this approach?

Shapiro: I have no comment on the School of Education as an example. I would not rule out the approach of eliminating a program or possibly a school.

It would appear that one certain victim of the university's budget crunch will be the assistant professor, who will find his or her already difficult chances for making tenure far more difficult than ever. Traditionally Michigan has attracted top recent PhDs by providing a much better prospect for making tenure than at a Harvard or a Wisconsin. Won't this attraction be just about eliminated in the future?

Shapiro: It is correct to say that promotion standards in general will be higher in the future. But I don't believe that's going to cause us any difficulty in attracting good people. The exact same thing is happening in all other good schools. I believe we can easily get our share of high-quality young assistant professors. I just don't think we need that extra attention to attract top-quality people.

You are an economic forecaster by profession. What's your best guess as to how much the U-M will need to contract in the next decade?

Shapiro: In the next decade I wouldn't be at all surprised if in real terms (I'm not talking about nominal dollars) we would be contracting between five and ten percent, a couple percent every two years—something like that.

Often the best departments—for example Political Science—have the highest turnover as top members get lured away by fantastic offers. Won't these strong departments be especially hurt by the university's inability to pay for replacements?

Shapiro: Again I have no comment about any specific department. But the more generic question is: Will our top departments receive the greatest blow? I think exactly the opposite. As we make budget adjustments, we are most likely to favor the best departments. And in the short term, I don't think we are going to fundamentally wound any department in the university by anything we do this year.

One member of the LS&A Executive Committee told me that the real question is whether politically the university will be able to cut academic programs, or whether it will end up being a bunch of compromises where the cuts hurt both strong and weak academic areas equally. What beyond exhortations can you do as President to insure that this doesn't occur?

Shapiro: I think the central administration really can form judgments about individual units and see that those judgments are reflected in terms of financial support. I think we will do that. We're very conscious of that problem, and we don't want to become a bunch of mediocre programs. It's not fun and no chal-

Continued on page 37

Aiming for the Fast Track

A Conversation with Students

by Charles S. Strauch
President, Memorex Corporation

Editor's Note: One of the speakers brought to campus this fall by student clubs was Charles S. Strauch, who was named president of Memorex Corporation in May, 1980. Strauch spent a good part of his career with Gould, Inc., which at the time he joined it was a small battery maker, electronics, and instrument manufacturer with revenues of about \$110 million. He started there as a division manager, became vice-president of operations in Gould Europe, and left there as executive vice-president in charge of the instruments and electronics division, which then accounted for over 50% of the company's revenue, or about one billion dollars. He joined Memorex in 1979 as executive vice-president with a strong orientation in international marketing and management of their high technology products. (Memorex is a major manufacturer of computer peripherals and memory storage systems.) His session here with students was replete with interaction (he described it as "brainstorming"), in which they had a chance to ask him what it's like out there in management today, and he had a chance to share with them something about corporate expectations of the new BBA or MBA coming into the business world.



I'd like to start by discussing factors that make the difference between a great company and an average company, on the assumption that most of you do not want to go to work for the average company, and then we'll open the meeting up for questions.

My remarks come out of my experience with a variety of companies. Much of my experience has been with turnaround situations. I like to go to work in a turnaround

situation because I really believe that's where you learn the fastest. And if you're interested in the fast track and you're in a turnaround situation, you'll make it to the top faster.

What makes companies great? What it boils down to every time is the quality of management, and that comes down to three c's—chemistry (that is, the top management sees eye to eye), continuity (they know what to do and they know how to do it well), and commitment to excellence. Six factors, I think, are very important in the commitment to excellence department. *First*, you need to have a bias towards making things happen. In other words, leadership. *Second*, an intolerance for incompetence and a certain leanness of staff. Small is beautiful. *Third*, closeness to customers. I have a policy for myself that at least once a month, and in most months, as much as three times a month, I will be in front of a customer. *Fourth*, productivity and quality by consensus. The entire organization should really be addressing itself to developing, producing, marketing and servicing a high quality product at the lowest possible cost. *Fifth*, autonomy to encourage entrepreneurship. This is the most difficult management challenge we have today. How to keep an environment of control, but at the same time

provide an environment for entrepreneurship to encourage freedom of action. Some large companies, when they get a new business or a new product, will go out and find an entrepreneur to run it. And they will separate that organization out of the basic business—to provide it an incubator in which to grow. *Sixth*, consistency—meaning, stick to your strengths, focus on your strengths. One great company I know of is great because year after year they are focusing on one value—cost reduction. They have rigor like you wouldn't believe. They require their management to report every month on the progress on cost reduction programs. They are an extremely successful company because of that.

Well, let's have some questions.

Q. What should the new MBA expect of his company? What should management expect?

A. It all starts with the interview process. Do your homework on the company and the situation you're getting into. Accept the fact that in your first job, you and your management will most likely have false expectations of each other. It's therefore very, very, important to "know thyself." Know what your strengths are, and match your strengths with the situation and concentrate on the things you do best in that company. Success will follow and the expectation gap will close.

Q. How much expression is an entry level MBA allowed? I'm scared I'm going to go to a big company and be an organization man.

A. If you're going to work for a good company, you're going to have to be an organization man—a team player—to some degree, whether you like it or not. It just isn't going to work if you go in with the attitude, "I'm only interested in making my thoughts known—not in what other people have to say." If, instead of trying to get your ideas in front of the decision maker, you start off with the idea of getting consensus from your people, the people you work with every day, you'll go a lot further in getting your independent thoughts adopted. If you

feel like that about being an organization man, work like the devil to make sure you have a boss who understands that. Say, "look boss, I'm telling you flat out, I'm an innovator. Here's my track record. I want to be in an environment where I can express myself as an individual." If you take that approach with good, broad based managers and there are assignments available which require independent thought, that will not be a problem. I'd rather have someone working for me whom I am reining in, than someone I have to go out and kick every day to get him moving.

Q. What should an MBA do if he finds his first boss is stagnant and not well thought of? Stick with the boss and try to shine? Or switch bosses as soon as possible?

A. An excellent question. And I assure you everyone will have that problem sometime in his/her career. If you are perceived to be a person who's impetuous, who's basically only interested in advancing your own ideas at the risk or expense of your boss, it isn't going to work, because the organization is not going to work with you. On the other hand, if your boss is one who completely stifles you there is obviously a limit to how long you can put up with that. There is a middle ground which probably is tilted more toward the patient approach—that is, an attitude which says I can learn a lot by sticking with a difficult situation with the hope that he will be found out and you will outlast him.

Q. So you are saying that at the entry level, it's important to fit in with the group. Does that still hold at the top of the organization, or are you more of an entrepreneur at the top?

A. It depends on the company. In my view, it gets back to establishing leadership. What is the difference between a good manager and a leader? They both can have good analytical thought, and they both generally have good judgment. What sets one apart from the other is that the good manager is more interested in peace, love and understanding—making everybody happy—and the leader is

more interested in keeping an independent thought. I don't encourage people to shut up, don't say anything, and quietly work your way to the top. What you have to do is learn balance. Learn how to get your ideas across through consensus with your peers, your staff, your immediate supervisor. Be patient, don't try to push. Don't feel, "I've got to get through to the decision maker—it's a make or break situation—if I don't my idea will be lost." Have patience. Keep working and you'll get there. If you're good—there is no question about this—cream rises to the top. Some people get there faster, but on the average, competent people make it.

Q. How heavily does the decision making process rest on the top guy—or is it more of a group decision process?

A. In a large company—like an IBM or a General Electric, I can assure you only a few decisions which impact current year's operations are made at the top. There's the story about the CEO of a multi-billion dollar corporation who stood in the corner office on the top floor of his lower Manhattan headquarters building watching the ships come up the channel. He had the corner post of the window sighted, and his biggest frustration was that when he turned the wheel the building didn't move! That was his analogy for running a huge company—it's like a big tanker; you turn the wheel, and the thing just keeps going. In a company my size (about \$800 million) the company is still small enough that all significant decisions—particularly strategic decisions, are made at a high level. In any event at the top position, you should only be concentrating on four things: 1) the strategy of the business; 2) the people of the organization—their selection and development; 3) making sure that control systems are in place to assure smooth operation; and 4) addressing only the significant problems and opportunities. You really should be spending most of your time on the first three things, those which do not involve decisions which impact day to day operations.

Q. *Would you talk for a minute about working for a turnaround company?*

A. Let's assume you are a person who wants to lead. You are dying to get into a leadership position. If you learn fast, it's the only way to go in my opinion. Normally, turnaround companies are not going to hire someone right out of college—that's a difficulty. It's difficult to find your way into it. If you can find a turnaround situation that will accept you and give you any job—you know—"I'll push the paper through the office, I don't care, just let me get on the team," because if you're competent—if you're a star—you'll probably rise faster than the average bloke. When you're working for a large, well established company you're with a bunch of all-stars. In a turnaround situation you put yourself—albeit with some risk—in a situation that's full of opportunity. But one warning. Be realistic. Know who you are. A lot of unhappiness goes along with having aspirations or trying to realize aspirations that are unrealistic.

Q. *What about the trade-off between personal life and corporate life? You said you look for a happy family in your management. What about those who choose to remain single?*

A. The fact that a person is single would not be a detriment. What I look for is a balance in people, and I think it's quite possible to find a single person who has balance. I don't like to see someone in a management position who only does one thing. Show me someone who says I haven't taken a vacation in five years and I'll tell you that's nuts. No way. I've *always* taken a vacation, and I encourage my people to do that, because I think it's part of your balance as a manager.

Q. *If you feel that way, how do you handle the transfer of managers, particularly women managers?*

A. A difficult issue for many career oriented people to handle. How on the one hand do you encourage your people to have balance and on the other hand expect them to show dedication to the company? Some-



"The boss normally isn't going to make a move—particularly a major move—unless he gets consensus. Women, in my opinion, are very good at getting consensus."

times you have to say, "If you don't take the job, that's up to you, but we don't have these opportunities in your career path every day." In many cases—not all, that's a practical reality, and anybody that says it's any other way is not being realistic.

Q. *How do you handle managers who are threatened by the very competent woman?*

A. That is a major challenge we face today, but also a major opportunity, because the untapped resource of women in management is fantastic. I try to find successful managers who have a track record of hiring, promoting, and developing women managers. And when others in the company find that those people are

making more money and in fact moving up in the company, eventually somebody will say, "Hey, I better get with it." In fact there are a lot of people at the lower levels of the company who would be threatened by a very competent woman. And when you go into your job interview as a woman—particularly as a black woman—you have to ask the hard questions. Don't be arrogant, don't be pushy. Just ask them in a very calm way, "How many women do you have in management? How many managers do you have who are black?" If the answer is "None, but we're working on it," you shouldn't even be in that interview as far as I'm concerned. There are opportunities out there—definitely not enough to suit me, but certainly there are companies that honestly recognize that women are the untapped resource and who'll put them to work. It will take time to get where we should be. Unfortunately, it's not something that's going to get solved quickly.

Q. *If a woman in an entry level position has a good idea, and men don't want to accept the idea, what do you do?*

A. You're starting off on the wrong foot if you're concerned about somebody knowing it was your idea. What you're basically interested in doing is growing up in a company. Decisions are usually not made by one person. The boss normally isn't going to make a move—particularly a major move—unless he gets a consensus. Women, in my opinion, are very good at getting consensus. Now, it's true, you are going to run into people with hangups—people who think, "you're a woman, therefore your idea is no good." Well, fine, you put that person aside. When you get in the room and there's five people there, and four of them are saying, I think it's a great idea, and the male chauvinist is saying, "I think it's a lousy idea," you've got to figure that the guy making the decision is going to go with your idea. It happens. There are people out there who want to give women opportunities. You've just got to find them, that's the problem. There aren't enough of them yet.

Rounding Out the Picture

Club presidents work long hours to create opportunities for career and personal growth for business students

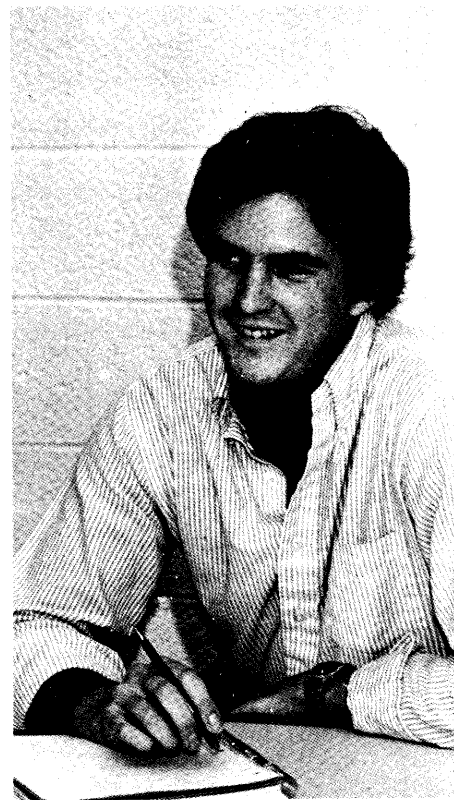
Just about everybody agrees that some of the most valuable lessons are not learned in the classroom, and that integration of "the real world" into students' experience is a desirable goal, but how to bring this about is not so clear. Interaction between students and members of the business community provide valuable learning experiences—perhaps as important in their way as the interaction between students and faculty.

Student clubs are an especially effective way to bring about some of this interaction. They help develop and define career goals and aspirations by bringing speakers to the School to discuss aspects of a particular career field, to talk about a specific company, and to meet informally with students. They sponsor social events, and think up ways to increase communication between first year and second year students. They serve as support networks and provide informal tutoring services. In short, they create effective frameworks in which students can explore and evaluate various aspects of the world outside the classroom.

This year, club presidents started meeting informally every couple of weeks just to keep each other up to date on what each club was doing. These meetings naturally led to projects jointly sponsored by several clubs. For example, this fall the Finance Club, OBIR Club and

Marketing Club worked with the alumni office to develop a student-alumni forum. People who had graduated in the past three years were invited to come back and talk about their experiences in their first jobs. The Forum was very well attended, and hopefully will be an annual occurrence (for more on the Forum, see page 41). Another very successful joint project was "Success Week," sponsored by the clubs in cooperation with the placement office. This included a seminar on leadership by a GM executive; a presentation on how to dress for the corporate environment (put on by Lord & Taylor and Brooks Brothers); a discussion on career planning by Ray Hill, Associate Professor of Industrial Relations; and several sessions on the interview process. Various clubs brought various perspectives and ideas for speakers to bear on the central idea of success, and the result was an enriching and thought-provoking series for all business students. Also this year, two new groups have been formed, one a computer club; the other, a club for people interested in strategic planning.

On these pages, we introduce you to presidents of eleven clubs. Their activities and the work of their members and officers make the Business School a more exciting and informative place than it otherwise would be.



The ten members of student council (five elected at the end of each term in a school-wide election) have a lot to do, points out Jim Parsons, current president. They are the board of directors for the Student Lounge (an eighty thousand dollar small business); they appoint students to serve on various faculty-student committees; and they coordinate

“My observation is that black undergraduates now don’t have the same concerns as we did when I was a BBA student here in 1973,” says Sharon Reed, currently a second year MBA student. “They don’t seem to flounder as much as we did, and are very career minded as opposed to worrying about their personal identity. A big issue when I was an undergraduate was that most of us could not afford a calculator, which then cost between \$100 and \$400. Now all students have them.” Sharon says she sometimes feels like the “mother” of the club, because she has been actively involved with it for seven of the ten years of its existence—first as a BBA student; then when she

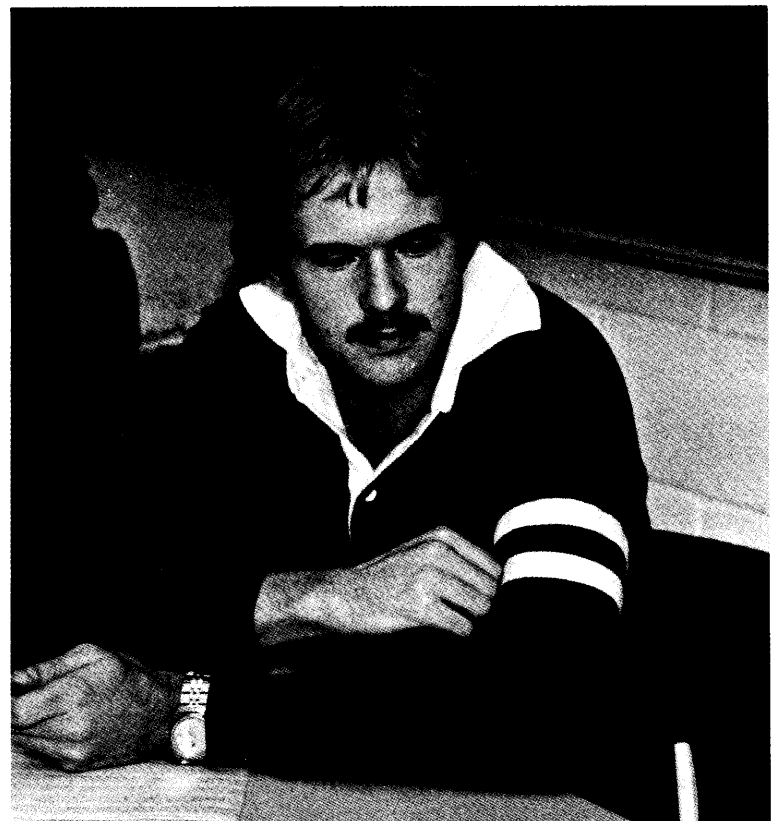
came back to talk to members about careers at DuPont, where she was working as a financial analyst; and now as a second year MBA student. She points out that in 1970 there were only 2 or 3 black MBA students, whereas the current class has eight graduating MBA’s and 12 first year MBA’s. “One of our purposes is to help students get through the program they are in,” explains Sharon. “We have all the resources to do that within our group. Someone has the skills and knowledge that the other person needs—it’s just a matter of getting them together.” Another purpose is to help students get the best job possible after they graduate and for that purpose many companies come in to

talk to club members about careers (i.e., what does a commercial loan officer do; or an investment banker? How do you go about marketing a specific product?) “We also think of ourselves as a support group for minority students,” says Sharon, “and so have potlucks and other get-togethers for our membership.” Sharon decided to return to Michigan for her MBA because of the advancement possibilities the degree offers. “For instance,” she comments, “the job I was hired for at DuPont in 1974 with a BBA degree now requires an MBA.” She is specializing here in finance (especially its international aspects) and accounting.

activities of students as well as interaction between students and the administration. This year student council has published an activities booklet for incoming students; has initiated a monthly “lunch with Dean Whitaker” program (in which the first 10 students to sign up each month have lunch with the Dean); and are working on a series of student-faculty coffee hours. They have also devised a mailbox system which makes quick in-school communication with students possible by making file folders—one for each student—available on the third floor. Another successful innovation this year is the “presidents council,” a meeting of all student club presidents held about once every two weeks. This has given rise to cooperative projects sponsored jointly by various clubs—for example, “success week” held in January; the student-alumni forum, held in the fall (see page 41 for pictures) and a summer job forum in which second year MBA students discuss their summer job experiences for the benefit of first year students. “Instead of clubs competing with each other,” says Jim, “we decided to join forces.” Jim graduated from Williams College, worked as a sales administrator and then as controller for a small paper company, and then decided to get his MBA. Here he is specializing in policy and control, and hopes eventually to have his own company.



Leslie Hine averages 30 hours a week working for AIESEC, and says one of the hardest things about being a club president was learning to balance her time between academics and organizational responsibilities. AIESEC is an international management development program which operates an exchange program for students who want international business experience. By getting commitments from corporations here in the U.S. to take a foreign student as an intern, AIESEC members in the U.S. have a reciprocal opportunity to work overseas. The exchange process is handled by a sophisticated computer process at the AIESEC International Congress which is held in the spring of each year. This year, there are 23 student members of AIESEC at the Business School who are hoping to go abroad. The majority of Leslie's time is spent in developing and integrating new members (of which there are 70 this year) into the AIESEC organization. "This gives me a wonderful opportunity to get a sense of the whole picture, and at the same time gain experience in coordinating the different areas," says Leslie, adding that a major attraction is the chance to get to know so many different people. "AIESEC made me an insider," she says, explaining that it gave her a foothold in the Business School she might not otherwise have had. (She is a candidate for the Bachelor of General Studies degree, combining courses in and out of the Business School with emphasis on international finance.) This summer she plans to go to Australia on an AIESEC traineeship and work for an international financial firm. She eventually wants to learn the ropes of international finance, then get her MBA and work in international business.





◀ “Many of the clubs are career oriented,” says Tom Wright, president of the U.M. Business Students Association, “whereas we are oriented toward creating opportunities for people to get acquainted. We want to make life a little easier for first year students, and to facilitate people getting to know each other across class lines. To meet those goals, we organize various get togethers, including pre-game parties during football season and several faculty-student Friday afternoon parties.” Each fall the club organizes football tickets so that first year students can all sit together in a block, and the current project is to put together a phone directory for business school students. Another project in the works is to set up a system so that second year students can be available to help first year students on course selection. Tom was an economics major at

Rutgers (cum laude) and came here for his MBA right after graduation. “I always knew I wanted to go into business,” he explains, “and the MBA will give me a significant head start.” Tom’s major interest is computers, and he is currently working part-time for the Database Systems Research Group as part of a project team that designed and is currently implementing a marketing, registration, and accounting system. After graduation, he wants to do systems analysis and operations planning for a large corporation. What has he learned through being president of a club that consists of 150 members? “How to delegate,” he says with a grin.

“Last year our membership doubled and this year it doubled again,” says Tom Linker, president of the OBIR Club. “I think there’s an increasing awareness of the importance of good use of human resources in business, whatever your functional area. Some studies of MBA’s five years out of school have indicated that in entry positions you need the identifiable learnable skills, but after five years how you manage people begins to loom large. Not all of our members are specializing in the organizational behavior area, but they recognize its importance. Of course we bring in speakers to talk about careers in the OBIR field, but we also have speakers on human resource questions in general, such as the ISR quality of work life studies, or issues in human resource accounting.” This year the club is also working with the placement office and marketing club to develop some interview training sessions for job-hunting students. Tom, who got a degree in German literature cum laude from Harvard about 10 years ago, is pictured here working with a six person group on a simulation game in marketing strategy for one of his classes. After graduation from college, he worked in computer programming and at a bank before becoming interested in career-development counseling, using life/work planning and problem solving methodology to help clients explore values and set goals. “Helping individuals define what their career goals are,” he says, “can be a long, hard process. I began to get very interested in how that process might be done in an institutional context, and that’s when I decided to come to Business School.” Here he is specializing in marketing and strategic planning, but his career goals include being in a situation where he can fulfill his interest in ways of developing human potential.

“It’s taking many more hours than I ever thought it would,” says Bob Mahoney, president of the Finance Club. “But the great thing about being president is directing the club to accommodate people’s needs, interests, and desires. In a practical way I’ve learned it’s a challenge to manage such a diversity of points of view—there tend to be quite a few loose ends that need to be tied.” This year the Finance Club is sponsoring a “mini series” of talks, using the finance faculty to address topics of interest to students, or to discuss topics they are currently researching that they can’t build into their courses. Another bonus this year is the Stock Market Game offered to members of the club, each of whom can have a theoretical account of \$100,000 to invest in any of thirty Dow Jones Industrial Stocks. The game, which is programmed into the MTS, has transaction costs and earnings of 5% on idle cash balances built into it. A daily update is provided, and weekly performance lists are given to each investor. About 40 people are participating in the program, which is offered through the courtesy, energy and interest of club member Keven Schoenfeld who combines a lively interest in the stock market with computer skills. The club is also working energetically on the executive-in-residence program, and continues to sponsor company speakers interested in discussing finance careers with members. After majoring in economics and history at the University of Virginia and working in the field of international finance, Bob decided he needed an MBA to develop his skills further, and chose Michigan over other business schools for a very specific reason: “It gave me a good combination of the case method and the quantitative approach. Other business schools offer one or the other, but I like the mixture students get at Michigan,” he says.

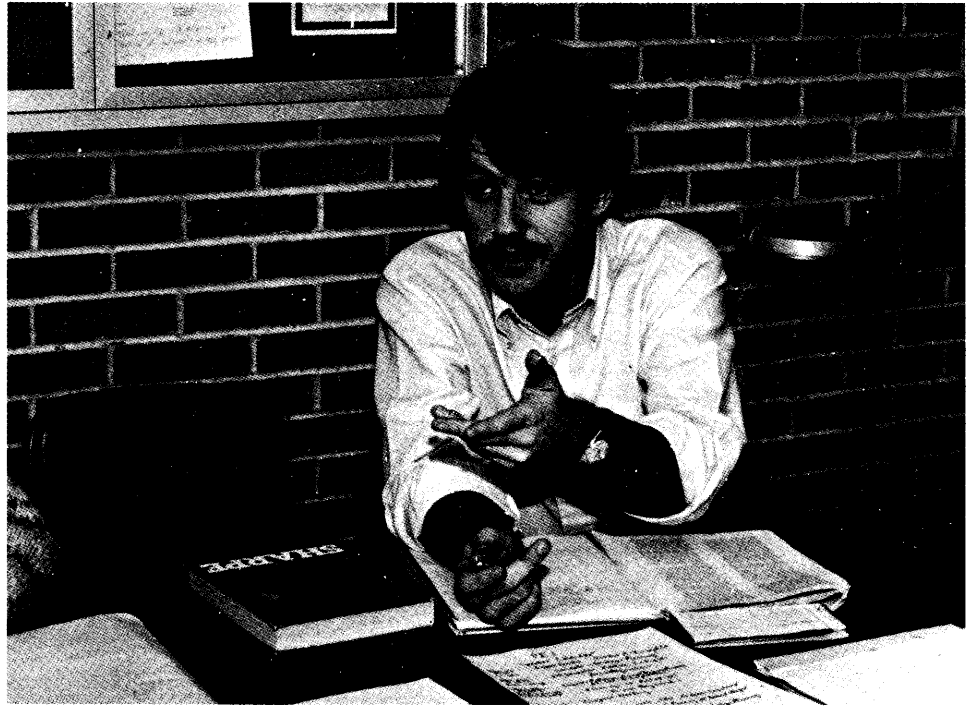


Photos by Virginia Geren

*“It’s easy to delegate. V
once something is deleg
watch too closely, you’re
you watch too loosely ar
in the soup.”*

“We’ve increased our membership this year from 125 to 200 members by using marketing strategy—showing students how membership in the club can be useful to them,” says Margaret Hefferan, president of Marketing Club and a second year MBA student. “Our goals are three: first, to help students make career contact through company presentations and through publishing a resume book; second, enlarging the employment base—we are working on a direct mail promotion piece promoting our marketing program; and third, to have fun. We’ve also started a series on ethics and are coordinating a “success series” with other clubs, a project incorporating several speakers and workshops on various aspects of success.” Margaret planned to get a degree in biology and teach in high school, but the shrinking market for teachers caused her to have second thoughts, so she dropped out of school to work and think things over. A job as book-keeper at the Catholic Information Center in Grand Rapids threw her into a situation where she was responsible for a monthly operating budget of \$10,000 in a “sink or swim situation.” It was then that she began to think about going into business, so she finished her degree in biology and chemistry, and got a job doing toxicology at Western Michigan Poison Center to earn money towards her MBA. Last summer she held a marketing internship with Management Horizons, a consulting firm for retailers, and worked with another intern in researching and putting together a conference for top level retail managers on trends in the retail sector in the 1980’s.

*What's hard is making sure
it gets done. If you
really not delegating, but if
it doesn't get done, you're*



“It’s easy to delegate,” says Jeff Fink, president of a new club organized this year for students interested in strategic planning. “What’s hard is making sure once something is delegated that it gets done. If you watch too closely, you’re really not delegating, but if you watch too loosely and it doesn’t get done, you’re in the soup.” Jeff explains that strategic planning has really only been a field in and of itself for about five years, and that the objectives of the club are to explore and disseminate information on the field. At the first meeting of the club, students who had worked in the strategic planning area over the summer and a faculty member who is highly knowledgeable about the field, talked about what it’s like to work in strategic planning, and what aspects of corporate activity fall under that heading. The club is also compiling a reading list. “We are the first officially sanctioned student chapter in the country of the Planning Executives Institute, a national organization of executives interested in the research, study and application

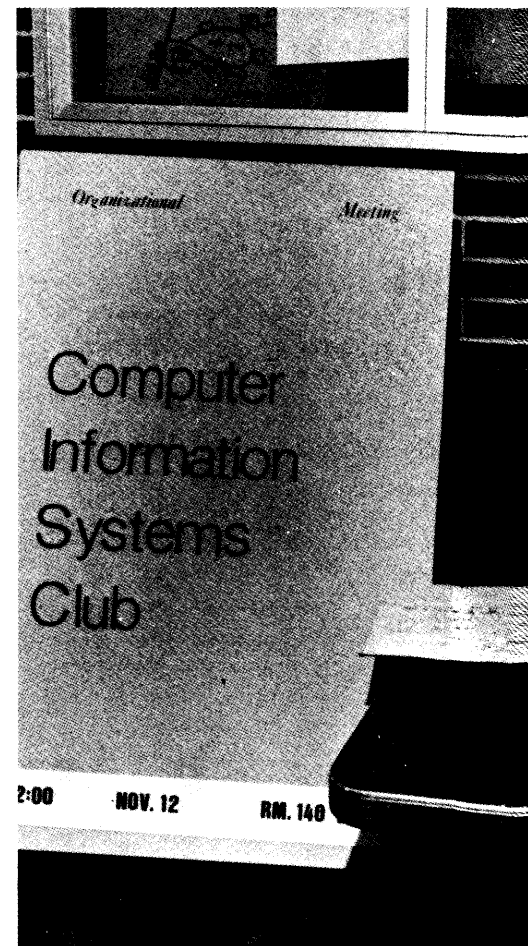
of the techniques and principles of organizational planning,” says Jeff, adding that the Business School club is being sponsored by the Detroit Chapter of PEI, and student members are thus able to attend their monthly dinner meetings in Detroit. Jeff, who graduated from Kalamazoo College with a BA in economics and then came here for his MBA, says that because of the numerous presentations sponsored by various clubs, “you practically have Who’s Who in American Business coming through here—it’s fascinating and you can learn an enormous amount from it.” He says his major objective as a club officer right now is getting the speaker schedule established through the end of the school year, so that new officers elected in the spring can turn their attention to getting the fledgling club more organized internally. “Right now,” he says, “I’m finding it tough to get people to coordinate with each other. It’s not all that easy to manage people. I count this club work as a tremendously valuable learning experience.”



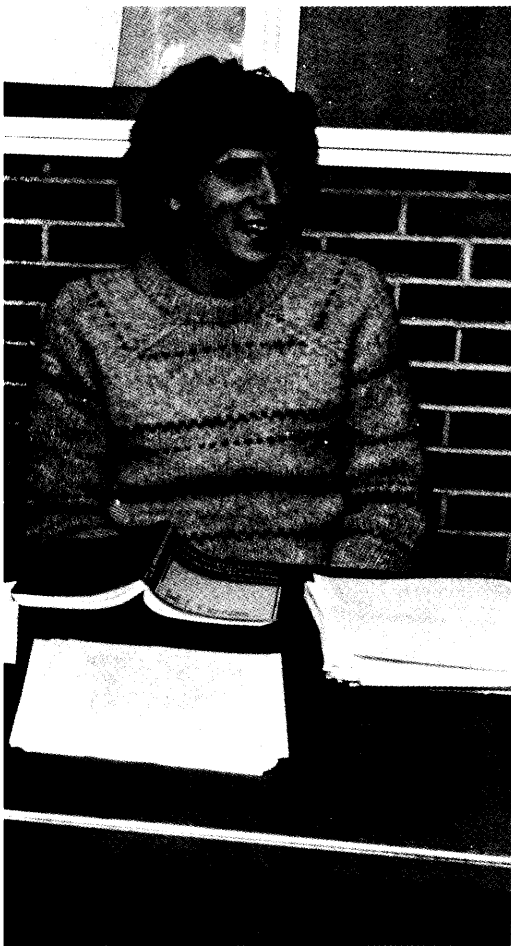
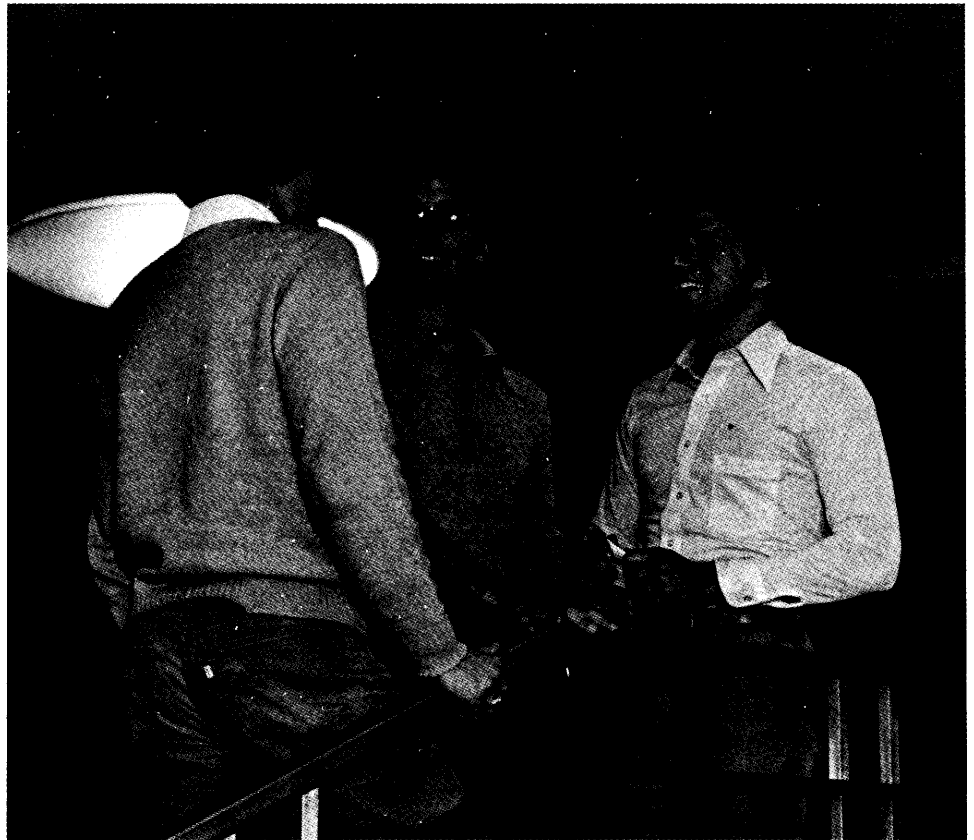
“We provide a forum for exchange of ideas between business school women and the business community,” says Rosemary Phalen, president of the Michigan Business Women. “We are interested in giving our membership good career information, and this semester have heard speakers on careers with computers and on a pragmatic approach to career planning. We have several different committees—one specifically on women’s issues; another for recruitment of women to the Business School for which we developed a brochure; and another for speakers and topics.” The club is also working on matching first year women students up with second year students in both the BBA and MBA programs, so people will have access to advice on courses, etc., from someone who has “been there.” Other special projects include

developing a reading list of books of interest to women in business, and cooperating with the University-wide women’s career fair planning committee to set up a panel of women to talk about business as a career. “We differ from some of the other clubs,” says Rosemary, “in that our 130 members come from all of the different functional areas.” Rosemary decided on a career in business during undergraduate days at Cornell, when she ran an annual publication sent out to incoming freshmen and transfer students. “I had to coordinate all the meetings, talk to the publisher, set up the budget, do the marketing. I liked it so much I began to think about going into business,” she says. She is now specializing in management information systems and plans to work in a functional area that interfaces with the computer.

“The most difficult thing about starting a new club is overcoming inertia,” says Joel Blom, who along with John Reed and Joe Garfunkel, is establishing a Computer Information Systems Club, “and when I say inertia, I mean my own as well as other’s. However, growing numbers of students are looking at careers in computer/management information systems or operations research, and could benefit from belonging to such a club.” Up to now, there has been no student organization in the quantitative area, so the new club is filling a definite need. The aim of the organization is not only to promote job opportunities for those people who want to specialize in computer/information systems, but



also for people who want to be good consumers of computer services. So far, the club has sponsored a presentation by the Institute of Management Consultants, is working on putting together a resume book of members, and would like to develop some informal presentations by professors on various topics—for example, ethical issues posed by the computer, and other issues that arise when the computer interfaces with different functional areas. The club also is hoping to establish a data base of its members' skills. Below, John Reed is pictured at the "recruiting table" which was set up in the Business School lobby to attract members when the club was first being organized.



Michigan's chapter of Beta Alpha Psi, national honorary accounting fraternity, is headed by Vince Ammann, Jr. He says a major purpose of the club is to make the transition easier between the academic world and professional life. Frequent presentations on various aspects of accounting are sponsored by the group. This year, topics have included how to prepare for the CPA exam; what you can expect in a 30 minute job interview (including videotapes of various interviews); what the small business division of an accounting firm is like; about the tax division of an accounting firm. Average turnout at these events is about 50, and after the talk everyone adjourns to a local pizza spot, where students can meet informally with those putting on the presentation, usually members of an accounting

firm. The fraternity also sponsors a fall banquet every year, at which awards and scholarships are announced (and at which recruiters outnumber students approximately two to one). Beta Alpha Psi members also offer free tutoring every Wednesday night to puzzled introductory accounting students ("it's a good way to review for advanced students," says Vince, "besides offering a useful service"). Vince worked last summer as an audit staff intern for Coopers & Lybrand, and was also a participant in the Volunteer Income Tax Assistance Program of 1980. He is a BBA candidate here, and comes from a family of accountants. His father was controller of Ford Motor Company before he retired and is now financial manager of Oakland University. One of his sisters is also an accountant.

What Have the Japanese Got That We Haven't?

In 1913, it took 728 minutes to put a car together. Then, on January 14, 1914, the first assembly line in the world began operating, and the time dropped from 728 minutes to 93 minutes! With this tremendous rise in productivity, Ford doubled the pay of auto workers from \$2.50 per day to \$5.00 per day. Times have certainly changed.

On January 14, 1981, sixty seven years to the day after that first assembly line began operating, a huge crowd gathered at the Power Center on the U-M campus to hear a battery of speakers discuss, "The Japanese Automotive Industry: Model and Challenge for the Future." High level representatives from business, government and labor, were all on the list of speakers, including Neil Goldschmidt, Secretary, U.S. Department of Transportation, and Donald Riegle, U.S. Senator from Michigan. Paul McCracken, Edmund Ezra Day Distinguished University Professor of Business Administration, moderated the conference.

So much information was given out that day, so many fascinating statistics cited, and so many insightful comments made, that a true coverage of the conference is impossible in so short a space. So we decided just to share with you some of the comments or statistics that seemed especially interesting or meaningful to us, and suggest that if you want more, you send for the conference proceedings, which are available at \$7.00 per copy from *Michigan Publications in Japanese Studies, Center for Japanese Studies, The University of Michigan, Ann Arbor, Michigan 48109.*

THERE IS A \$1,000 to \$1,500 cost advantage that the Japanese car has over the U.S. made car. Less than one-half of that can be attributed to wage rates. The rest must be found in productivity differences and government policies.

Neil Goldschmidt
*Secretary, U.S. Dept. of
Transportation*

THE CURRENT SITUATION is not a matter of imports vs. domestics but of small cars vs. big cars. Detroit manufactured 3.7 million small cars in 1979, but 5.6 million in 1980. Imports are simply there to fill the temporary gap, and import restrictions are not necessary.

Yasuhiko Suzuki
*Vice President, Nissan Motor
Corp., USA*

SPANISH AUTO WORKERS don't buy cars. Mexican auto workers don't buy cars. We can't have people all over the world making cars who can't buy cars. We want temporary restrictions on imports to allow our market to turn around, and local content laws on the biggest selling cars. (Italy, for example, has a law that 70% of each of their cars must be made locally.)

Donald Ephlin,
*Vice President, United
Automobile Workers*

AUTOMOBILE QUALITY is not just fit and finish, which the Japanese do so excellently, but also involves other hidden factors such as durability, corrosion resistance, structural integrity and safety in which U.S. cars have a record at least equivalent, and sometimes superior, to Japanese cars. Japanese technology is not superior to ours, but their annual productivity improvement in recent years is over three times ours. Keep in mind that U.S. consumers are going to drive greater distances than their Japanese or European counterparts, and therefore need more engine. Basic to understanding the problems of the American auto industry is the long lead time required to make basic changes in models (seven years). For example, the X cars had to be started in 1973 in order to get them on the market in 1980.

David E. Cole
*Director, Office for the
Study of Automotive
Transportation
The University of Michigan*

GM IS INCREASING its stock of robot workers, and hopes to have 5,000 of them in place by 1985 and 14,000 by 1990. One of the Japanese secret weapons is supportive government. It's hard for American management to take a long term view when government agencies, particularly the IRS, take such a short term view.

David S. Potter
*Vice President & Group. Exec.
of Public Affairs Group
General Motors Corp.*

Notes from a fascinating conference at which an overflow crowd heard a battery of speakers discuss "The Japanese Automotive Industry: Model and Challenge for the Future." A basic question asked there: Are we prepared to see our industrial base cut in half?

THERE IS NO SUCH THING as a free market in autos except in the United States. Virtually no other market is open. Last year our market had a 27½% penetration by foreign suppliers, 20% of which was Japanese. It's conceivable, if this continues, that the industrial base of the United States could be cut in half. Our public policy programs are not designed to handle the *transfer* of thousands of people from an industry being permanently downsized. The unemployment safety net has been crafted for a cyclical situation, with the assumption that the people would go back to work eventually.

The Honorable Donald Riegle
*United States Senator from
Michigan*

IN THE LATE 1940's and early 1950's, the Japanese government took a leading role in rebuilding the Japanese auto industry. In the 1950's, the Japanese auto market was closed to outsiders, and between 1955 and 1965, the government encouraged vertical integration of the industry. By the early 1970's, the auto industry in Japan was strong and could compete on world markets, and the government then played virtually no role in the industry. Industrial policy cannot be prescribed without a thorough understanding of how businesses change over time and how industries differ.

Ira C. Magaziner
President, Telesis, Inc.

SALES LOST TO IMPORTS today can be repeated tomorrow, because satisfied customers are repeat customers. Thus Japanese car manufacturers can gain a market momentum that will be hard to stop. Americans may think this is a short term problem, but Europeans think the race has just begun. Some of the \$1,000 to \$1,500 cost differential between Japanese and American cars may be due to a yen which (Europeans believe) is 20 to 25% undervalued because of Japanese oil vulnerability.

Fred G. Secrest
*Consultant and Former
Executive Vice President,
Environmental Safety and
Industry Affairs
Ford Motor Company*

THE JAPANESE MANAGEMENT style is quite different from American and derives from different assumptions. For example, in the U.S. we assume people are motivated by money; in Japan, they assume people are motivated by opportunities for personal growth. In the U.S., we assume excellence comes from competition; in Japan they believe excellence comes from the individual contribution to the group effort. In the U.S., shareholder interest predominates; in Japan, the interest of the employee family (workers and management) comes first.

John Schnapp
*Vice President, Harbridge
House*

IN THE U.S. there are a lot of "turf" problems between the design, manufacturing and production staff, whereas in Japan there is a highly cooperative relationship built with all people who will be involved in a design. Quality control responsibility in Japan is on line managers and production workers, whereas in the U.S. it's on a separate large staff of quality specialists. In the U.S., there is one full time quality inspector for every 80 production workers, whereas at Toyota, for example, there is one for every 30 workers. At GM, suggestions for improvements in quality and productivity from workers run .84 per employee and have a 22% adoption rate, whereas at Toyota, they run 17.8% per worker per year and have a 90% adoption rate. Lest you think this is cultural, 10 years ago Toyota was generating very few suggestions.

Robert E. Cole
*Professor of Sociology and
Director, Center for
Japanese Studies
The University of Michigan*

THE JAPANESE WORKER works 200 hours more per year than the American worker and 400 hours more per year than the German worker. We are the Asian workaholics and you are the Occidental workaholics. It is difficult to compare the wages given to Japanese workers with those given to American workers because of the numerous bonuses and allowances given to Japanese workers. Most of the things the Japanese are now practicing we have learned from you, such as quality control circles and suggestion systems, but we are good at creatively misunderstanding you.

Kaoru Kobayashi
*Professor of the Institute of
Business Administration and
Consultant to Overseas
Enterprises Institute, Japan*

Among Ourselves

An informal collection of items, including news of the faculty, of alumni, and of the school, and assorted other information, opinion or comment that we think will interest you.

International Harvester Chairman Receives 1980 Business Leadership Award

Archie R. McCardell, chairman and chief executive officer of International Harvester Company, is the 1980 recipient of the Business Leadership Award. The award was presented October 23 in Hale Auditorium, after which McCardell delivered the business leadership lecture, entitled "Overcoming Management Myopia."

McCardell, who holds both the BBA (1948) and MBA (1949) degrees from the U-M Business School, joined Ford Motor Company in 1949, and served in a variety of financial positions, including key assignments with Ford of Australia and Ford of Germany.

In 1966, he moved to Xerox Corporation. While at Xerox, his leadership led to worldwide personal recognition. He became president of Xerox in 1971. In 1977, International Harvester invited him to become its president and CEO. He was elected chairman in 1979. He is credited with reinvigorating International Harvester, and with enhancing his firm's position as a leading producer of trucks, farm implements, and construction equipment as well as his own reputation as an effective organizer, budgeter, and developer of products.

McCardell serves on the boards of American Express Co., General Foods Corp., and Honeywell, Inc. He is a trustee of the University of Chicago, Northwestern Memorial Hospital, the Orchestral Association of Chicago, the Business Council, the Conference



Archie R. McCardell, chairman and CEO of International Harvester Company, and recipient of the 1980 Business Leadership Award, is pictured with student council president Jim Parsons, and vice president Karen Schmeichel.

Board, the Business Roundtable and the National Council for United States-China Trade. He is a member

of the advisory council of Stanford University's Graduate School of Business.

School Appoints New Placement Director

Margaret Carroll is the new director of placement at the Business School. She comes to us from The University of Michigan at Dearborn, where she directed the BBA Internship program, coordinating the placement activity of 225 students per year.

Her experience also includes two years as training manager for J. L. Hudson's in Detroit, where she developed and implemented a sales training program for store personnel. She received her MBA from the Business School in 1978, having attended both the day program full time and the evening program part time. Her undergraduate training was at the University of Illinois in Urbana, from which she graduated in 1962 with high honors. While at the University of Illinois, she was president of Women's Group System, an organization representing 7,000 students. After graduation, she taught high school classes for several years before starting her training toward the MBA.

The Placement Office at the Business School currently serves more than 350 graduating MBA and 250 graduating BBA students. Approximately 300 companies recruit at the Business School, completing over 10,000 interviews yearly. Students are assisted with resume and cover letter preparation, interview skills and other job hunting techniques.

Alumni wanting to make career changes are also served by the Placement Office. A monthly Job Opportunities Bulletin is sent to those graduates who request it, and resumes submitted by graduates are referred to firms who contact the Placement Office regarding needs for experienced personnel.

Ms. Carroll replaces Richard Johnson, who is now director of placement at Stanford Business School.



Margaret Carroll, new director of placement at the Business School.

Business School Fund Reports Substantial Increase in Support

End of the year giving has increased total support for the Business School Fund to 75% of the \$150,000 campaign goal, according to Dohn L. Kalmbach, MBA '62, national chairman for the Fund. As of January 15, nearly 1300 alumni, faculty and friends of the School had contributed \$115,000. These results represent a substantial increase in support for the Fund.

Kalmbach stressed that several new programs have been launched during the campaign to stimulate increased support. These programs include the student pledge program, Chicago area alumni phonathon and the Dow Chemical Company phonathon (employees who graduated from The University of Michigan were contacted by alumni volunteers). Both phonathons resulted in gifts more than doubling the totals from the previous year. Alumni support, also important to the School, has become even more vital in these difficult times for the State of Michigan and for the University (see page 12).

Professor Mautz Appointed to Public Oversight Board

Robert K. Mautz, professor of accounting and director of the Paton Accounting Center, has been appointed to the five member Public Oversight Board of the American Institute of Certified Public Accountants (AICPA). He is the first accountant to be named to the Board, which oversees those accounting firms with SEC-registered clients, their peer review programs, and examines issues confronting the profession. Mautz replaces the late Ray Garrett, Jr., former Securities and Exchange Commission Chairman.

In announcing the appointment, POB chairman John J. McCloy said: "Since the board will undoubtedly be dealing with technical issues as it monitors the growing number of peer reviews and the activities of the Special Investigations Committee, an accountant member's input will materially assist the board in formulating decisions on these matters."

McCloy added that Mautz will also "serve as an effective liaison and consultant to our technical staff in resolving some of the more complex issues on a day-to-day basis."

The POB was created as part of the self-regulatory program established in 1977 by the American Institute of Certified Public Accountants (AICPA).

Other POB members are: William L. Cray, former chairman of the Securities and Exchange Commission; Arthur M. Wood, former chairman of Sears Roebuck & Co., and John D. Harper, former chairman of Aluminum Company of America.

Prof. Mautz, who joined the U-M faculty in January 1979, was a partner in the accounting firm of Ernst & Whinney and served 24 years on the faculty at the University of Illinois, his alma mater. He was president in 1965 of the American Accounting Association and currently serves as chairman of the Governmental Accounting Standards Board Organization Committee. He is a member of the Accounting Hall of Fame and holder of the AICPA Gold Medal, its highest award.



Dean Stevenson poses with the oil portrait of him commissioned by the Business School at the time of his retirement in 1960. The portrait now hangs in the Business School library.

Dean Emeritus Russell Stevenson Dies at 90

Russell A. Stevenson, who directed the School of Business Administration as its Dean from 1944 until his retirement in 1961, died November 23 in Phoenix, Arizona. He was 90 years old.

As Dean of the School, Stevenson presided over the period of its greatest growth and development. Detroit banker Raymond T. Perring summed up Dean Stevenson's contributions in a 1960 retirement salute:

"The shining record of the past 16 years is ample evidence of Dean Stevenson's powers as an educator, administrator, and builder . . . The first problem he tackled when he returned to Ann Arbor was the urgent need for a suitable building. Sensing the growth in enrollment that would come in the postwar period, he moved rapidly and with determination to house the School properly . . . The obstacles were formidable, but he overcame them one by one and

with a rare combination of drive, diplomacy, and stubbornness pushed through to his goal. The fine modern, well-equipped building that resulted has been a valuable asset in the School's expansion and development.

"He built wisely in other ways too—a strong, well-balanced faculty, and an educational program that was progressive and adaptable to the changing needs of business."

Stevenson was born Oct. 21, 1890, in Muskegon. He received a B.A. degree at the U-M in 1913, an M.A. degree at Michigan State University in 1915, and a Ph.D. degree at Michigan in 1919. The U-M conferred an honorary doctor of laws degree on him in 1941.

Stevenson was instructor in economics at the U-M in 1913-14, then taught at the University of Iowa for six years and at the University of Cincinnati until 1926 when he joined the University of Minnesota faculty. At Minnesota he was dean of the School of Business Administration from 1926 to 1944, and earned a reputation for building school enroll-

The Automobile and American Culture Issue Published by Michigan Quarterly Review

The automobile was not invented in America, and our first gasoline car was built in the East, so why did Michigan become the center for the automobile industry?

Historian John B. Rae explains that it was because automotive geniuses such as Henry Ford, William C. Durant, and Ransom E. Olds were "in the right place at the right time with the right talent."

His essay launches "The Automobile and American Culture," a 350-page, illustrated special edition of the Michigan Quarterly Review, published at The University of Michigan.

Guest Editor David L. Lewis, professor of business history and author of the prize-winning

ment and establishing ties of cooperation with business and industry.

He returned to the U-M in 1944 as dean of the U-M Business School and served until his retirement in September 1961.

In addition to membership in many professional and educational organizations, Stevenson had served as a member of the Small Business Advisory Committee of the U.S. Department of Commerce in 1946-52 and as a member of the Board of Governors, Smaller War Plants Corporation during World War I. He was director of a number of corporations.

Stevenson was the author of many books, including "Accounting Principles," "The Minnesota Unemployment Research Project," "Accountant's Handbook" (advisory editor) and "Balancing the Economic Controls" (with Roland S. Vaile).

biography, "The Public Image of Henry Ford," has compiled a mix of scholarly and popular writing that is unique in automotive publishing annals.

The issue explores past, present, and future in one of the most comprehensive statements ever made concerning the automobile's impact on our nation. It includes reminiscences of people whose lives have been touched by the auto and examines the many ways in which the auto has transformed American lifestyles and values.

Topics in "The Automobile and American Culture" include the future of the auto industry, auto safety and crashworthiness, off-road vehicles, "cruising," homages to beloved cars, the automobile and the city, woman's place in the car culture, cars and films, and sex and the automobile.

A brief sampling indicates the diversity of themes:

Author-publisher Charles A. Madison, once a machine operator involved in early union-management struggles, writes that the memory of his years of servitude in machine shops was "a confused dream" from which he awakened "with relief."

Historian Mark S. Foster, remarking on the automobile, the city, and mass transit planning, states that contemporary urban planners "must remember that it took at least a century to spread out the modern metropolis, and that we will be well into the twenty-first century before cities can be significantly reshaped by even the most sophisticated futuristic mass transit systems we build today."

Commenting on the place of women in the car culture, Charles L. Sanford notes that "if Henry Adams were still alive, he might conclude that women have exchanged the power of the Virgin for the blind, corrupting power of the car. Certainly, he thought that their exposure to machinery, working and competing with men, robbed them of femininity and somehow sapped that awesome mystery in their being that made them a fecund, unifying force in art, religion, and society."

Auto editor Robert M. Lienert



The Michigan Quarterly Review's special issue on "The Automobile and American Culture" has many fascinating illustrations, of which the above is one of the most charming. (Used courtesy of Ford Archives, Dearborn, Michigan)

describes how the replacement of his mother's horse and buggy by an automobile (which she never learned to drive) "rather than freeing her, confined her more than ever."

Auto-crash authority Paul W. Gikas, a U-M pathologist, finds the modern automobile redefined in nature and function: "It is less a fantasy machine than a means of conveyance from point A to point B. In that sensible, useful role, the car's crashworthiness has become the essential feature it should have been from the beginning."

And what of the future of the American auto industry? Former U.S. Transportation Secretary Neil Goldschmidt suggests that "it is not only possible but likely that the American auto industry—and the auto itself—will emerge from this period more conserving and more productive, technologically advanced and socially responsible, competitive with the best vehicles in the world."

Fiction, poetry, and graphics also are included in the collection.

The auto issue is Michigan Quarterly Review's second special edition. The first, "The Moon Landing and Its Aftermath," was published in the spring of 1979, and sold out two printings. The auto issue is expected to be one of the most popular issues ever published by MQR, a general interest journal.

"Our automobile and American culture issue should appeal to everyone interested in American history and especially to those interested in automotive history and the car culture," says guest editor Lewis.

Copies of the special issue may be obtained by writing to: Michigan Quarterly Review, 3032 Rackham Building, University of Michigan, Ann Arbor, Mich. 48109, telephone (313) 764-9265. The issue is priced at \$7 per copy, with special rates available for large orders.

Class Notes

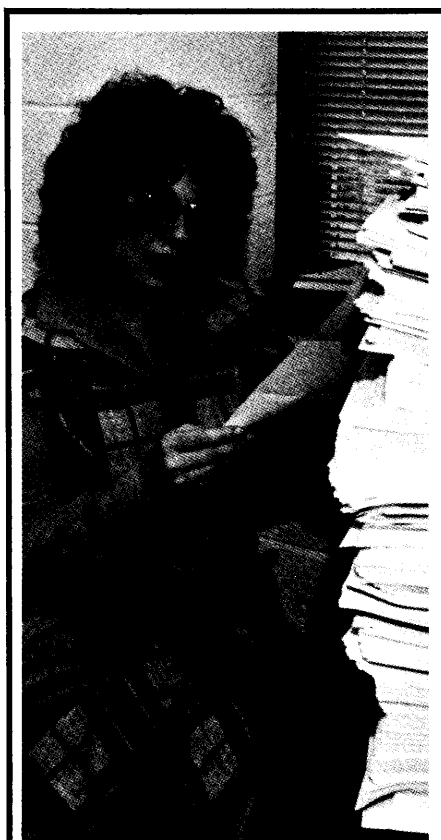
'32 CARL E. MOORE, MBA '32, has been living in Washington, D.C., for about 15 years following a few years in Cuba and a tour with the Foreign Service. He works for National Counsel Associates, a lobbying firm on Capitol Hill. Carl and his brother also publish *The Times of the Americas*, a bi-weekly paper devoted exclusively to news about Latin America. Anyone interested in subscribing should write: The Times of the Americas, 910 17th Street, N.W., Suite 993, Washington, D.C. 20006.

'34 ALEXANDER LEIGHTON, MBA '34, and wife, Blanche, are living in Nokomis, Florida. Alexander says, "I have been retired since 1975 enjoying the Gulf waters and the Florida sunshine."

'35 HOWARD HELLISEN, MBA '35, was a staff member of Price, Waterhouse & Company for 4 years in Detroit after graduating from the U of M. Howard served as a special agent in the FBI until World War II when "the desire for further adventures prevailed and I joined the U.S. Army as a lieutenant under my reserve commission earned at Michigan," says Howard. His army career included service in North Africa, Italy, Korea and Japan and retirement as a Colonel of Infantry. "Highlights of my career included serving as a military parachutist; as an Inspector General, where my previous experience in accounting and investigation was a distinct advantage; and later as a comptroller, where my academic, business and military background was most helpful." Howard and wife, Carolyn, are living in the hills overlooking Monterey Bay on the central California coast.

'37 WENCEL A. NEUMANN, JR., MBA '37, retired in January, 1975, from De Laval Separator Company in Poughkeepsie, New York, where he served as president and chief executive officer for 18 years. Wife, Ruth, is a U of M nursing graduate '33. They live in Goshen, Connecticut, and spend winters in Riviera Beach, Florida.

'38 SAMUEL J. FITZPATRICK, MBA '38, worked in marketing with IBM for 37 years until his retirement. He lives with wife, Virginia, in Sedona, Arizona, where he is active in civic affairs.



Please Bear With Us

Pictured above is Vicki Oppenheim, assistant in the Alumni Office, with the pile of responses we received to the alumni census form sent out several months ago. At the bottom of that form there was a space for people to write news about themselves for Dividend. So many of you responded that it will take several issues to use all of the news sent in. Please be patient with us, and thank you all for letting us hear from you.

'39 WILLIAM R. SHAW, MBA '39, retired in 1976 as a partner with Arthur Young & Company and moved to Boca Raton, Florida, where he "chased the golf ball and pounded tennis balls" for a year. Shaw explains, "Then it was back into the only business I knew, public accounting; and since then, I have been building a practice and working substantially full-time. In addition, as an investor and adviser, I have built two custom homes as speculations (both sold successfully) and am the owner of a used car lot in Pompano Beach, Florida. Retirement is great, if you don't take it to seriously. I am always three weeks behind in doing all the things I must do." Commenting on his time at U of M, Shaw continues, "Those two tough years spent over the books and correcting papers for Bill Paton while getting my MBA have served me well throughout my business life, and I am grateful for the fine education and fond memories that the School of Business provided."

'40 DONALD J. PHILLIPS, MBA '40, is an associate with Autenrieth, Majewski, Monley & Associates, an executive recruiting and search firm in Cranford, New Jersey. He is a former member of Optimist Service Club, LOMA, System Activity & Education Commission, and IASA. Donald has formerly worked with Scranton Life Insurance Company and Bankers National Life.

A. WILLIAM RHODES, MBA '40, retired from Dow Corning corporation in September, 1980. He was vice-president and senior management consultant with Dow in Midland, Michigan. Wife, Harriet, and he now live in Southern Pines, North Carolina.

'43 E. GERALD O'BRIEN, MBA '43, retired in February, 1980, after 34 years in finance, marketing and sales with Ford Motor Company. O'Brien says, "I am enjoying the opportunity to develop two new businesses for myself, and consulting for several institutions."

47 HUGH MARTIN, MBA '47, has retired from Dow Chemical Company in Midland, Michigan, after 35 years of service. He worked for 18 years as business manager of the Biochemical Research Lab, as planning supervisor of the Research, Engineering, & Construction Department for 5 years, and as senior job evaluation engineer for 10 years in the Labor Relations Department.

RAYMOND F. HEIDTKE, MBA '47, retired in 1974 with over 30 years in the United States Air Force as Lt. Colonel. He was pilot and auditor/supervisor with the Auditor General, USAF. He will retire again this May from the University of Dayton School of Business, where he is associate professor of accounting. His son, Curtis Lee, graduated in May, 1980, from the Air Force Academy and is now in pilot training.

STANLEY R. STONG, BBA '46, MBA '47, retired in 1980 after a 29 year career with Ford Motor Company. During his career he served for 15 years overseas as Ford's financial representative in Venezuela, South Africa and Japan. He and wife, Anita, are living in Roswell, Georgia.

48 WILLIAM B. LAWRENCE, BBA '48, says, "I came to U of M because of the good real estate school. I have always felt the training at The University of Michigan was valuable and essential to any success that I have had." He continues, "I majored in Real Estate at U of M and came to Dallas, Texas, in 1949. I worked for a developer, builder, realtor for five years, became sales manager, and left the company to open my own company in September of 1954. I immediately went into the home building business in Dallas, brokered real estate for people, opened my own insurance agency—The Bill Lawrence Insurance Agency and have done some developing, property management. In 1970 I opened a branch office in Athens, Texas, brokering acreage and ranches in the East Texas area." He is semi-retired and owns a small ranch in East Texas with a private lake.

ROBERT D. RACINE, BBA '48, is senior vice-president of marketing at Deluxe Check Printers, Inc., in St. Paul, Minnesota. He started at Deluxe immediately out of school and has functioned as top marketing officer and a director since 1962. He has seen growth from just over \$4 million in 1948 to more than \$400 million in 1980.

JAMES B. FINEGAN, MBA '48, is President of J. B. Finegan Associates, Inc., a manufacturer's agency in Rochester, New York.

STEPHEN F. SELBY, BBA '48, is a partner in Investment Property Associates, a real estate development company that develops land into single family tracts of condominiums and condo-conversions in Fresno, Bakersfield, Los Angeles, and San Diego Counties.

49 STEPHEN UPTON, BBA '49, is vice-president of consumer affairs at Whirlpool Corporation in Benton Harbor, Michigan. Stephen says, "Betsy and I live on the very edge of a bluff overlooking Lake Michigan. We have one of the best views in the world, but it is somewhat tenuous. You learn to enjoy each day as it comes!"

STANLEY F. DOLE, JR., MBA '49, is an independent CPA, serving primarily nonprofit organizations in Grand Rapids, Michigan. Before establishing his own practice in 1978, he worked for 29 years with other CPA firms.

LAWRENCE A. REISTER, MBA '49, is general agent for John Hancock Life Insurance Company in Highland, Indiana. Reister lives in Schererville, Indiana, and teaches an insurance course at Indiana University, Northwest.

TORCOME G. SAHAKIAN, BBA '49, says, "August 1, 1980, I began my 32nd year in the business I joined upon graduation from Michigan. A great career. From errand boy to senior partner!" He is partner of Sahakian & Salm in Detroit, Michigan. He and wife, Roxie, live in West Bloomfield, Michigan.

50 MORTON H. GAVENS, BBA '50, is a senior partner of Blum Shapiro & Company, CPA, in West Hartford, Connecticut. He is officer and past governor of the Connecticut Society of CPAs.

JACK J. JOMINY, BBA '50, is founder and president of Realtron Corporation in Redford, Michigan. Founded in 1968, Realtron provides computerized information for realtors, "on-line" computers and computerized photo listing books. It employs 350 people in three locations—Michigan, Florida, and Massachusetts.

51 THEODORE A. URBAN, BBA '50, MBA '51, is vice-president of the mortgage department at Michigan National Bank in Saginaw, Michigan.

He has been a lecturer in the real estate program of U of M Extension Service since 1962, and is a part-time instructor in the real estate program at Delta College. He and wife, Elsie, are parents to four children. They will be celebrating their 25th wedding anniversary in April.

JAMES F. DIFFLEY, BBA '51, has recently been promoted to senior vice-president at Milwaukee Forge in Milwaukee, Wisconsin. Milwaukee Forge is the largest producer of steel forged rings in the USA. They supply the tractor, truck, and earth moving industries. His wife, Dr. Mary Pat Murray Diffley, is a full professor at the Medical College of Wisconsin and is Director of the Kinesiology Research Laboratory at the Veteran's Administration Center in Wood, Wisconsin.

DAVID W. HUTTON, BBA '51, is a product manager in the marketing division of Ford Motor Company in Dearborn. David says, "I always have appreciated the opportunity to have studied at U of M—100 Club."

53 JOHN C. LICHTY, MBA '53, served in various marketing and sales management capacities with Burroughs Corporation and Nixdorf Computer before joining Radix Corporation in October, 1979 as senior account manager responsible for all marketing activities in Michigan, Ohio, and western Pennsylvania. Radix is a highly specialized systems management company which concentrates on automated real estate lending systems for banks, savings and loans, and mortgage companies.

ESTHER H. MEURY, BBA '53, started selling residential real estate in 1978, and says, "it's *very* challenging!" She and her husband, Calvin, live in St. Paul, Minnesota.

RUSSELL E. PRICE, BBA '53, is a partner with Landman, Luyendyk, Latimer, Clink & Robb attorneys, which is a 40 attorney law firm with offices in Muskegon, Grand Rapids, Grand Haven and Fremont, Michigan. He is completing his tenth year with them in Fremont.

54 K. THOMAS LESTER, MBA '54, is the vice-president of data processing at San Diego Federal Savings & Loan Association. He is active on various boards and committees, including the Sharp Hospital Advisory Board, the San Diego Opera Association, the music committee of the La Jolla Methodist Church, the San Diego chapter of the

Data Processing Management Association (or which he is past president), the United Fund Advisory Board, and the Grossmont College Advisory Board. He and wife, Brenda, have two daughters—Judy and Debbie.

KENNETH E. OLTHOFF, MBA '54, is the director of employee benefits of General Motors Corporation in Detroit. He was employed by General Motors at Delco Electronics Division in 1954, transferred to the employee benefits section of the GM Industrial Relations Staff in 1962, became program manager in 1971, assistant director in 1973 and director in 1977. He is responsible for research and development of benefit plans for hourly and salaried employees in the U.S. and Canada, including the negotiation of such plans with the unions representing GM employees. He is a member of the Board of Trustees of the Council on Employee Benefits, Board of Directors of Delta Dental Plan of Michigan, Board of Directors of ERISA Regulations Industry Committee, Michigan Blue Cross-Blue Shield Corporate Body, University of Michigan Hospital Cost Containment Committee, Benefits and Compensation Steering Committee of the National Association of Manufacturers, and Industrial Relations Research Association.

W. SCOTT BAUMAN, BBA '53, MBA '54, is a professor of finance at the University of Virginia's Darden Graduate School of Business Administration. He was a member of the editorial advisory board and the author of three chapters in a recently published book, *The Investment Manager's Handbook*, edited by Sumner N. Levine (Homewood: Dow Jones-Irwin), 1980.

55 ROBERT C. SCHUMANN, JR., MBA '55, is lab director in research and development at Dow Chemical in Freeport, Texas. He and his wife, Joyce, celebrated their 25th wedding anniversary in June, 1980. (Joyce graduated from the U of M education school in 1954.) They have three daughters, two in college, one a high school senior.

DONALD E. LIEBREICH, BBA '55, is a litigation coordinator for General Atomic Company in San Diego, California. He was married last October to Marie Fiore.

56 GILBERT L. LAVEY, BBA '56, was elected controller of Michigan Consolidated Gas Company in 1978. He joined the company in 1973 as general auditor, after having worked

for Arthur Andersen & Co. for 13 years. He and his wife, Barbara, have four children: a son who graduated from the U of M with a BBA in '79, a daughter who is an LS & A student, a son currently attending the U of M, and a daughter who is now a senior in high school.

WILLIAM J. COWLIN, BBA '53, JD '56, is a partner in a firm of attorneys called Cowlin, Cowlin and Ungvarsky in Crystal Lake, Illinois. He writes in regard to the class notes of Richard Leroy Smith, BBA '53, in the Spring, 1980, issue of *Dividend*, "I had the dubious honor of rooming with Smith while we were both in the Business Administration School, and I assure you it was very hazardous dodging batons and avoiding high kicks while trying to study business law. I well remember that bag of dimes he kept to give to the little kiddies so they would follow him all over Ann Arbor." Cowlin continues, "I do remember Smith's practice sessions, and it is only with great modesty that I am sure Smith would have told you that rooming with me was the most important experience in his life."

ARTHUR H. KORTESOJA, MBA '56, retired in June, 1980, from The University of Michigan Hospital where he was the senior financial analyst in accounting. He was a school teacher from 1939-1941, served in WWII from 1941-1945, taught again from 1946-1951, served during the Korean War from 1951-1952, then enrolled in 1953 as a part-time MBA student. After receiving his MBA in '56, Arthur worked at the University Hospital until his retirement.

THOMAS A. TURNER, MBA '56, has worked with the Ford Motor Company for 25 years. He has held various positions which took him from Michigan to Pennsylvania, California, Texas, and most recently Venezuela, where he is President of Ford of Venezuela. He has served on the board of education and city council, and as mayor of Plymouth, Michigan. Turner says his wife, June, of 27 years, "earned her PhT (Pushing Hubby Through) degree from U of M." They have a son, Mark, who received his Master's in mechanical engineering from U of M in 1978, and a daughter, Judilynn. "One highlight of last year was returning to the United States for weddings of both children," says Turner.

BURR G. JOSLIN, BBA '56, is a purchasing specialist for the Ford Motor Company in Dearborn. He has been with Ford since 1956 and rotated through a number of buying and supervisory positions. He currently purchases all passenger car and truck tires and valves for 19 assembly

plants. He and his wife, Elizabeth, have a daughter who was valedictorian of her high school and entered the U of M this fall as a Regents/Alumni scholar.

COL. EARL A. HOAG, MBA '56, is project procurement manager for the Ralph M. Parsons Company in Pasadena, California. He recently returned to Pasadena after three years in Saudi Arabia as Parsons' project procurement manager on a major construction program.

JAY A. SLOVER, MBA '56, is retired and living in North Myrtle Beach, South Carolina, where he is active in community affairs and in politics.

KENNETH LEE JACKSON, MBA '56, retired as Lt. Col. from the United States Force in 1968 after 23 years of service, four of which included teaching at the USAF Institute of Technology (Wright-Patterson AFB) and four years in the Pentagon. Since 1968 he has been teaching statistics and investments at Stetson University in Deland, Florida, where he is acting head of the finance department.

57 GEORGE R. ELLIS, M.D., MHA '57, is chief of the rehabilitation medicine service of the Veteran's Administration Medical Center in Lexington, Kentucky, which involves both medical and administrative responsibilities in rehabilitation medicine. From October, 1959, to August, 1965, Dr. Ellis was a service chief in the Veteran's Administration, Department of Medicine and Surgery, at a V.A. hospital in McKinney, Texas.

KENNETH I. SHEVIN, MBA '57, lives in West Bloomfield, Michigan, with his wife, Harrilee, and daughter Jamie. After working in public accounting for 23 years, including several as a partner in a "Big Eight" firm, he formed a firm with two of his associates—Kirschner Hutton Shevin, P.C., in Birmingham, Michigan, in May, 1980. He is an officer-director of the Accounting Aid Society of Metropolitan Detroit and a vice-chairman of a committee of the Michigan Association of CPA's. His daughter, Jennifer, is currently a senior at the U-M Business School.

LEE TENENBAUM, BBA '57, is the president of Modern Deb Shops, Inc., a small chain of retail women's apparel in Ohio, with locations in three shopping centers.

FREDERICK E. SCHATZ, BBA '57, is the general manager of Plymouth Industrial Center in Plymouth, Michigan. He and

his wife, Susan, have been married 20 years and have three children. He is a member of the Alumni Association, the University of Michigan Club of Greater Detroit, and the National Supreme Council of Zeta Beta Tau Fraternity. He is also active in golf and tennis and attends all University of Michigan football games.

'58 BRUCE D. EVANS, MBA '58, is an associate professor in the Graduate School of Management at the University of Dallas. "I have the privilege and pleasure of teaching the only MBA class in the county where the final semester students work directly with the chief executive officer of a major corporation," says Bruce. "Founded in 1973, the course has developed through thirty-two such chief executive officer interfaces. It is a unique opportunity for MBA's to experience real managing."

WILLIAM J. ADAMS, MBA '58, is a partner with Arthur Andersen & Company in Detroit's Renaissance Center. He is currently serving as president of Greater Detroit Foreign Trade Zone, Inc., a non-profit corporation organized by the Chamber of Commerce to establish a foreign trade zone in the Southeastern Michigan area.

CALVIN EVERT WILL, BBA '58, married Lila M. Siegert in 1965 and they have six children. He is the owner of Will's Gun Shop in Spruce, Michigan.

'59 GEORGE T. HAMMOND, MBA '59, writes that his life has been jam-packed and blessed with exciting and challenging events and responsibilities. As operations manager for C. J. Osborn, a very successful privately owned chemical company, he has bottom line responsibility. He also has served as the elected mayor of Merchantville, New Jersey, and is presently president of the Merchantville Republican Club. He is also active in a number of social, civic, and church boards and committees. His wife, Judy, is a partner in her own thriving business, "Crafters Crossing," which specializes in arts and crafts originals, and they have two children who are both outstanding students, athletes and artists. George says a significant portion of his success can be attributed to the "excellent start I was given at the U of M."

Kyoji Kurata, MBA '73, visits us from Tokyo



KYOJI KURATA, MBA '73, is manager of technology, research and development for the Ashahi Chemical Industry Co., Ltd., a highly diversified company with sales of about 3.3 billion U.S. dollars per year and a workforce of about 14,000 people. Its products include plastics, pharmaceuticals, foodstuffs, and construction and housing materials. Kyoji and his staff make the decisions about what fields should be researched and what funds should be given to which projects. His recent visit to the U.S. involved looking into electronics opportunities in New York and San Francisco, and, he says, "I squeezed out one day to visit the Business School." When he came by the *Dividend* office, he brought news of the Business School Japanese alumni club, of which he is the secretary. The club, which was set up in 1978, has 50 members, including four company presidents. Several members are Americans working for American companies in Japan, and 90% of the membership lives

in Tokyo. Two meetings are held a year—one a general business meeting; the other a party. Kyoji says the club has several purposes: one, "for us to get to know each other," and two, "to help the School in recruiting new applicants and in spreading and maintaining the good reputation of the School in Japan." A third purpose is to help visiting faculty or alumni in Japan, and for that he invites people to contact him at the Ashahi Company, 1-2 Yuraku-Cho, 1-Chome, Chiyoda-Ku, Tokyo, telephone in Tokyo (03) 507-2282. Asked to comment on the difference between Japanese management methods and American methods, Kyoji noted that Japanese management usually takes a "longer sight, which is more profitable for a company than the short sight." He also noted that Japan has learned its quality control methods from the U.S., but that "we are more collaborative in terms of everyone joining in for total quality control."

'61 ROGER KALLOCK, MBA '61, is the president of Cleveland Consulting Associates, a logistics and marketing consulting firm with a staff of over 30 headquartered in Cleveland. In the fall, he was elected treasurer of the National Council of Physical Distribution Management, a professional organization of some 3100 distribution management personnel located all over the world. He writes us that last summer he and his wife and two children spent their seventh year at the U of M's family camp, Camp Michiganiana, with nine other Chi Psi fraternity families, including Business School graduates Price Watts, MBA '64, and Bob Nissley, MBA '61.

'62 IAN JEFFERY ENGEL, BBA '62, is currently president of William Engel Company, Ltd., Toronto, Canada, and also the past president of Canadian Lamp and Fixture Manufacturers Association.

SUSAN LEE FERBER, BBA '62, now Susan Pastroff, is assistant to the president at Ecco Consulting, Inc., in Pittsburgh, Pennsylvania, where she is active in the design and implementation of computer software systems for business and government. Susan has designed a unique record keeping systems on mini computers for Bell of Pennsylvania and recently installed a computer assisted real estate system and a domestic relations system. She is also the mother of four children.

ROBERT J. RADWAY, BBA '61, MBA '62, is co-editor of the *Reference Manual on Doing Business In Latin America* (published in 1979 by the Center for Latin America, University of Wisconsin-Milwaukee), author of several articles on doing business abroad, and a frequent lecturer. He received his law degree from the University of California, Hastings College of the Law. He has his own law offices in New York City, specializing in international business law with an emphasis on Latin America. He has chaired committees involved in these areas for the American Bar Association, the Licensing Executives Society, and the Inter-American Bar Association.

FRANK FORD SHIPP, MBA '62, has been a brokerage agency manager for Bankers Life Company in Albany, New York, since 1978, where he is a specialist in estate planning. Frank has been married to his wife, Letitia, for 20 years and they have had three children: Larry, 16; Sandy, 14; and, Lee, who was born in 1961, and died in an auto accident in 1978, at the age of 17.

'63 CHARLES E. JOHNSON, BBA '63, writes, "In July I assumed duty as the Navy representative to the Single Manager for Conventional Ammunition and Chief, SMCA Production Support Office at Headquarters, US Army Armament Material Readiness Command, Rock Island, Illinois. In the previous 3 years I had been assigned to Headquarters, Naval Material Command, Washington, DC as Munitions Programs Officer and Head, Nuclear Weapons and Physical Security Branch. I received my MS in management at Rensselaer Polytechnic Institute in June '71."

WILLIAM C. MELVIN, MBA '63, recently completed a three year assignment overseas as Upjohn plant manager in Puurs, Belgium, and is now director of technical manufacturing staff support for all overseas plant operations. He now works in Kalamazoo, Mich.

GEORGE A. PEAPPLES, MBA '63, has been serving as the Assistant Secretary of the Navy for Financial Management since November, 1977.

WILLIAM ('BILL') J. BIRKHEAD, MBA '63, is a financial director for Esso Hong Kong Limited. He writes, "The family and I are enjoying our fifth year in Hong Kong where Exxon has both petroleum and substantial electricity investments. At the present time the Colony is swept up in interest and enthusiasm in China, our large neighbor to the northwest. The American business community here, particularly, continues to grow following US/PRC 'normalization' of relations—in spite of the fact that apartment rentals (houses are few) in Hong Kong have soared to the neighborhood of US \$6,000 per month! Actual business progress on the mainland is slower. I noticed several references in the spring, 1980 issue of *Dividend* to connections between the U. of M. Graduate School of Business and Exxon which I am pleased to see since that good relationship in 1963 started me on a trail with Exxon which has covered five interesting Asian assignments." He adds a P.S., "I am also very pleased that Miss Sheila Kan (MBA '78) is working with Exxon in Hong Kong, so we have been able to compare notes on our grad school days at Michigan."

'64 ROBERT JAMES BOEWADT, BBA '63, MBA '64, is professor of marketing and chairman of the department at De Paul University in Chicago. He received his Ph.D. in marketing from Michigan State in 1970 and has taught at Michigan State and the University of Florida.

DAVID ARNOLD ELMY, CPA, BBA '63, MBA '64, is chief financial officer at Direct, Inc. in Sunnyvale, Calif. where he is creating a new management information system using interacting intelligent terminals with a firm manufacturing the terminals.

BERNARD LIS, '56E, MBA '64, is president of Computers Five, Inc. in Southfield, Mich. He writes, "I am proud that the first of my three sons entered the U. of M. in Sept., 1980. Lance Michael Lis is not unfamiliar with the campus, having attended two summer sessions of the National High School Debate Institute. At the conclusion of his second session (1978) he came home with the silver cup awarded to the top finalist. As for myself, I established Computers Five six years ago. We currently sell Honeywell Level 6 computers and T.I. terminals, provide software, training and hardware back-up. We also provide processing services and have terminals located in customers' offices connected to our own Level 6.

'65 CHARLES D. SCHEWE, MBA '65, is professor of marketing at the University of Massachusetts. When he went on sabbatical in the spring of 1979, he and his family (wife and two children) went to Sweden, where he lectured at the University of Lund on a Fulbright-Hays grant. He is the author of an introductory textbook on marketing which was published by McGraw-Hill in January, 1980, under the title *Marketing: Concepts and Applications*.

DAVID M. SCOTT, MBA '65, is now living in Traverse City, where he is production/inventory manager for Excello Corp. He and his wife Peg are active in the Grand Traverse U. of M. club and enjoy all the get-togethers. They have two children, Blake, 14 and Shelley, 12.

'66 DONALD R. BASSLER, BBA '66, is an administrator in marketing planning for the Aid Association for Lutherans in Appleton, Wisconsin, and is currently serving as secretary of the Society of Insurance Research. He is married, has two daughters, and is a member of the U.S. Army Reserves with the rank of captain.

MICHAEL K. SCHMIER, BBA '65, MBA '66, has opened law offices in Los Angeles with his two brothers (he has his JD from U of M law school, 1969). The firm,

which is called Schmier and Schmier, exclusively represents management in labor relations and equal employment opportunity matters. He is a former trial attorney with the National Labor Relations Board in San Francisco and Washington, D.C. and a former faculty member of the University of California, Hastings College of the Law.

'67 ROBERT M. ESTES, BBA '67, is owner of Robert M. Estes General Contractor Co., in the construction contracting area in Kula-Maui, Hawaii. He writes, "I guess I grew tired of working with my previous employer who was involved in large scale contracting in Hawaii, so I'm working for myself on light-residential building and enjoying it very much. Aloha."

MICHAEL R. HALLMAN, BBA '66, MBA '67, became regional manager for IBM's Data Processing Divisions Southern Region in Atlanta, Georgia, on July 1, 1980. As such, I am responsible for marketing IBM's intermediate to large computer systems in the five southeastern states.

'68 SCOTT H. DODGE, BBA '68, serves as associate counsel on the home office legal staff of SAFECO Title Insurance Company in the Southern California regional office in San Diego. He recently co-authored a complete work on the law and procedure of trust deed foreclosures in California. He is vice-president of the Institute of Trustees Sales Officers and is on the board of the University of Michigan Alumni Club of San Diego.

ROBERT J. DUFFY II, MBA '68, is vice-president of Jones Transfer Company in Monroe, Michigan. He and his wife have three daughters and are expecting a fourth child, and he writes that he wishes "the economy would get the hell better."

GREGORY M. GAZDA, MBA '68, is an associate professor of marketing at San Diego State University, and with his wife, Ruth, owns a real estate company called OPIE & GAZDA Real Estate in the Rancho Bernardo area of San Diego.

HAROLD R. KELLMAN, MBA '68, moved to the San Francisco area in 1978 after 12 years of living in Ann Arbor. He is now a financial counselor with HRK & Associates in Fremont, Calif., which is only 29 miles from San Francisco. He and his wife, Mary (MA '69) had their first child, Suzanne Elizabeth, on March 5, 1980, and Mary is now on leave from her

Hard Times at the U. of M.

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lenge to be president of such an institution. While I can't promise anything because I haven't delivered yet, I'm committed to not letting that happen.

My abilities are twofold: one, to channel the fiscal resources, and two, to try to strengthen those values in the academic community which reflect that point of view. It's not purely a matter of exhortation. It's also a matter of stressing the values of academic excellence. When I stress them, those who agree with those values are encouraged. And they will take on these issues in their department or school. I think the president can be effective in helping to mobilize those views. Now, if nobody else in the community shares those views, it could well be a hopeless task. But I think there are many who share them.

One of the most conspicuous recent attempts by the university to cut a program was the decision to disband the Department of Population Planning. Even though it was generally perceived to be a poorly run department, what ensued was an enormously time-consuming, bitter debate about whether the department should be scrapped. What finally emerged was a compromise inter-departmental program that saved the university little money if any. Isn't this a bad omen?

Shapiro: Yes, in part it is a bad omen. But you have to remember that it was a first attempt to do that sort of thing. I disagree that it didn't save resources. Nevertheless, it was a large struggle for a modest saving. But it was the first time around, and I think it is incumbent on us to make this process more streamlined—again remembering that we're not going to become like an industrial firm. To become like an industrial firm would undermine the long-run viability of

the university as a community of scholars. So we have to be careful and balance things. No one is more aware than I am of the frustrations of these processes.

In your June speech to the Senate Assembly, you said that the faculty workload has fallen substantially in the past 20 years. What are the rough dimensions of this drop, and how much should it be increased again?

Shapiro: I was talking about teaching load. It had been typical around the university to teach three classes a semester twenty years ago, whereas now the load is more typically two classes. The question is: how much should it rise? That's not a question we can answer alone here at The University of Michigan. We have to offer competitive salaries and working conditions, and we intend to remain competitive. We will watch that situation closely, though we won't move unilaterally.

Simply eliminating academic programs but retaining tenured faculty will have only a limited effect in reducing costs in the next few years. Aren't you realistically faced with the need to terminate some tenured faculty?

Shapiro: That of course is a possibility, depending on how our situation develops. That's something we would do only very carefully. But our situation may eventually force it. And then it would be as a part of a program reduction.

I don't think that terminating tenured faculty is the only option. After all, instructional salaries are not more than half our budget. You know, when you cut out a program, you may have as much in library acquisition as you do from staff salaries. So I don't think the statement, "You can't get anywhere without cutting out tenured faculty" is quite correct.

job as revenue officer at the Internal Revenue Service. He is managing investment funds for himself and clients and specializes in "emerging growth" companies with sales in the \$10 million to \$100 million range. He and Mary are both active in the local U of M Club.

ROSLYN BRAEMAN PAYNE, BBA '68, is vice president at Estdil Realty, Inc., in San Francisco. She is also on the board of directors of 1st American Title Guaranty Co., and a member of Women's Forum-West.

ARTHUR J. SCHWARTZ, JR., BBA '67, MBA '68, Ph.D., U. of Oregon, 1975, has taken a leave of absence from his position as professor of finance and property management at California Polytechnic State University, San Luis Obispo, to be a visiting professor of finance at the University of Hawaii at Manoa. He writes, "GO BLUE!"

'69 JOHN K. ADAMS, BBA '69, was named a vice president and associate media director of Dancer Fitzgerald Sample, Inc., an advertising agency in New York, in April, 1980.

JOSEPH M. HOWIE, JR., BBA '69, is an attorney with the antitrust division of Phillips Petroleum in Bartlesville, Okla. He received a master's degree in systems management from the University of Southern California in 1974, a JD degree from Ohio State University in 1976, and before taking his present job, worked in the antitrust section of the Ohio Attorney General's Office.

'70 GEORGE W. BECHTHOLD, MBA '70, has just started a new company, Management Perspectives, Inc. providing management consulting and market research services to companies throughout the U.S. The primary areas of emphasis will be marketing and distribution assistance to automotive parts suppliers and distributors. The company is located in Overland Park, Kansas.

JOHN H. BRUNS, MBA '70, writes us, "After several years in management consulting with Ernst & Whinney in Rochester, N.Y., I joined P & C Food Markets in Syracuse, N.Y., as director of Management Information Systems. Consequently, I am now living in Manlius, N.Y. with wife, Beth, daughter, Jennifer, and son, Todd.

DENNIS L. MADDOX, BBA '70, is a store manager for Gold Circle Discount Stores, based in Worthington, Ohio. He is in Pennsylvania to expand the Pittsburgh market (there are currently four stores in Pittsburgh area). He has two sons, Daniel '73, and David '75.

CHARLES R. MARTIN, BBA '68, MBA '70, writes, "I was recently transferred to the heart of Buckeyeland—Columbus, Ohio, and admitted to the Ernst & Whinney partnership. I was formerly manager-in-charge of the tax department in the Jackson, Mich. office and am now partner-in-charge of the Columbus, Ohio office tax department."

ELLEN BETH SHAPERA, BBA '70, is a part-time systems analyst in finance with Shure Brothers, Inc., in Evanston, Ill. She writes, "I work part time now, but formerly was the director of admissions for Advance Schools, Inc. in Chicago. I currently serve in executive positions for the National Council of Jewish Women, and have a three year old boy, and 2½ year old girl."

'71 DAVID W. MAURER, MBA '71, is a vice president at Bank of America in San Francisco, Calif. He writes, "After an active duty tour with the U.S. Air Force from 1971 through 1974, I joined Bank of America's wholesale corporate banking division. I expect to soon be leaving the domestic side of the bank for a position as senior credit officer in the bank's Taiwan branch.

PAUL NORR, BBA '71, is practicing law in Portland, Oregon, where he specializes in hearings referee work, primarily in the area of land use for city and county government.

T. SCOTT PLEUNE, MBA '71, has recently been named Alcoa's manager of food, pharmaceutical, chemical, and distributor sales for Closure Systems International, a division of Alcoa. He has been with Alcoa since graduation in '71.

MICHAEL STRICKLAND, BBA '71, writes, "I arrived at the Pentagon in March, 1980, after receiving a master of science (operations research) from the school of engineering of the Air Force Institute of Technology at Wright-Patterson AFB, Ohio. I am currently assigned to the mobility division of the office of the assistant chief of staff for studies and analyses.

JOHN F. BATTAGLIA, BBA '71, is a real estate broker with Alpha-Beta Realty in Mt. Clemens, Mich., specializing in new home sales, commercial and industrial land, and property management. He started the company in 1976, and is a member of the Macomb County Board of Realtors and the Michigan and National Association of Realtors.

CRAIG P. HALEY, MBA '71, is working in the personnel, marketing and finance areas at Rontex America, Inc. in Amherst, N.H. He writes, "After eight years with the NLRB in Detroit and Seattle (covering Alaska, Idaho, Montana and Washington) as a field examiner and hearing officer, I've gone to work for my father's company. We are one of the very, very few manufacturers of seamless, nonwoven, tubular (¼" to 20" I.D.) felts in the world. We also manufacture flat nonwoven products. In my off hours I enjoy backpacking, cross-country skiing and winter camping.

THOMAS P. KURLAK, BBA '69, MBA '71, is a vice president at Merrill Lynch in New York, where he is a securities analyst following high technology electronics stocks, and says he has just completed Exam III of the CFA program. He says 1979 was his best year in the securities industry in terms of successful stock recommendations, with several doubles and a few four fold increases in value within the year.

'72 THOMAS ZEARLEY, MBA '72, is currently a senior financial analyst for the Federal Reserve Board, specializing in the area of bank and bank holding company supervision. In addition, he serves as an aide to Governor Henry C. Wallich, providing him assistance on a variety of Board-related matters. Before joining the Fed in 1978, he worked for the Federal Saving & Loan Insurance Corporation as the manager of quantitative analysis. He and his wife (Jean Ouradnik Zearley—UM, Ed 1968) live in northwest Washington and during the summer he says, "we tend a garden which is the envy of our neighborhood."

WILLIAM E. ALLAN, MBA '72, is currently responsible for expansion of a customer support "hot-line" for the northeast region of Burroughs Corp. This service supports application and operational questions for our small systems users. Previously, he held positions in sales and application software development with Burroughs in Springfield and Lexington, Mass.



More than 400 alumni came to the open house held by the School on Homecoming Weekend. Coffee and doughnuts were served in the Executive Lounge on Saturday morning.



Frank Wilhelme, director of alumni relations, is pictured at the alumni open house with Dean Whitaker (right) and (center) Terry McHugh, MBA '70, who was student council president in 1969-70. He is now with Standard Oil of Ohio.

RONALD N. FINGLASS, MBA '72, is vice president-operations at United Federal Savings & Loan in Baltimore. He has a 3 year old daughter named Julie.

JOHN S. HOLLETT, MBA '72, is back from a two year assignment as director of marketing for Saudi Arabia Transport Organization Ltd., and is now director of marketing with Crowley Maritime Corporation in Jacksonville, Fla. His advice for new MBAs: "Get international experience as soon as possible, as the world is getting smaller and we must be more used to doing business with foreigners."

ROBERT L. MEDEMA, MBA '72, is currently cost accounting manager for Herman Miller, Inc. in Zeeland, Mich. (\$230,000,000 volume). He worked as a CPA with Arthur Young & Co. in Chicago, and taught accounting, management, and marketing on the faculties of Calvin College in Grand Rapids and Trinity College in Chicago before becoming the manager of product development for Herman Miller, the position he held prior to becoming cost accounting manager. He says the opportunities and variety in his career were made possible by the Michigan MBA.

'73 LEONARD M. BALLOFF, BBA '73, is self employed in retail

clothing at Balloff's in Knoxville, Tenn. He has one son, Scott Justin, two years old.

CHARLES C. BURNHAM, BBA '73, writes, "After graduation I spent five years as a sales representative for a marketing firm in Battle Creek. In 1978 my brothers, Dave and Ed and I formed Burnham Associates, Inc. We deal primarily with financial institutions and auto dealerships.

BRIAN J. DUNDON, MBA '73, has been transferred back to Armco, Inc.'s corporate headquarters in Middletown, Ohio, after nearly five years overseas in such diverse countries as Iran and Brazil. He is now helping to establish a new corporate group in international strategy. Armco currently has business interests in 37 countries.

MARK B. KENNEDY, MBA '73, is president of Safety Medical Corp. in Bryn Mawr, Penn. He writes, "After working for the chairman of Consolidated Foods Corp. and later Safeguard Industries, I purchased several smaller companies. Currently we are expanding rapidly through acquisition."

GEORGE PILKO, MBA '73, is president of Pilko & Associates, Inc., in Houston, Texas. He was recently selected for Who's Who in Finance and Industry

and for Who's Who in the South and Southwest.

'74 DONALD EPSTEIN, BBA '74, became a CPA in 1977, and joined Wells Fargo Mortgage Company in Santa Rosa, Calif., as assistant vice-president in July, 1978. In January, 1980, he was promoted to vice president and controller of the company.

STEVEN F. HODKINSON, BBA '74, is employed at Guardian Industries Corp. in Northville, Mich. as manager of financial reporting. He is a CPA.

PAUL ALBERT JANIAK, BBA '74, is regional director in marketing and personnel at Olga's Kitchen, Inc. He writes, "That the growth of Olga's since he's been with them (3½ years) is 700%, and that he loves his job, works over 80 hours a week, and is currently working toward his MBA at the U. of M.

KARL T. KODIAK, MBA '74, worked in the corporate finance and planning department at Outboard Marine Corporation for five years. In 1979, he received his J.D. from DePaul University law school, and after spending six months in a small law firm, returned to the corporate environment by joining the legal department at Cenco Incorporated in Oak Brook, Ill.

TERRY L. NAFFZIGER, BBA '74, is an assistant vice president in finance collateral management with Lawrence Systems, Inc. He writes, "After graduation I worked for Western International Hotels as assistant manager for three years in Illinois, Alaska, and California. Lawrence Systems is a subsidiary of Insurance of North America, and has been a front runner (working in conjunction with the nation's major banks) in bankers acceptance finance, almost 1 billion dollars presently on outstanding warehouse receipts. He is pursuing his MBA at Pepperdine University, Los Angeles.

'75 JOSEPH L. KAHN, BBA '75, became a CPA in 1977, and is now employed at Linden, Klain, Israel & Ross as a staff accountant. His wife, Patricia, graduated from the U-M in 1972 with a certificate in dental hygiene and now practices in Farmington Hills, Mich.

SANDRA RAMPINELLI, BBA '75, writes, "I am no longer employed since giving birth to a baby girl, Jennifer Lynn, on May 26, 1979. Up until that time, I had been assistant office manager at Rampy Chevrolet in Ann Arbor.

AARON B. ROSENTHAL, MBA '75, was named director of Customer Satisfaction Activities, reporting to the vice president of the Consumer Relations Staff of General Motors. He has been elected to the executive council of the Quality Assurance Committee, American National Standards Institute, and appointed U.S. delegate to the Quality Assurance Committee, International Standards Organization. He has also been elected chairman of science-engineering activity and appointed to the engineering activity board of the Society of Automotive Engineers.

BRUCE S. SIMON, BBA '75, is employed at Rosenbloom Et Al in Southfield, Mich., as a certified public accountant, and will receive his juris doctorate in tax law in May, 1982.

CAROL TARAS, BBA '75, writes us, "After graduation, I worked for two years in special studies for a health data processing firm and then moved to customer accounting. In 1978, I joined Comshare, Inc., an international software company with headquarters in Ann Arbor, where I am responsible for all operating aspects of corporate banking functions. My experience includes customer collections, and monitoring daily cash activity in both the parent

company and domestic subsidiaries. In my spare time, I have joined the running craze, becoming a 'soft-core' addict."

'76 DOUGLAS HUGHES, BBA '76, graduated from Wayne State Law School in 1979 and is an associate of Collinge, Silky & Kobza law firm in Muskegon.

CHESTER F. KUZIEMDO, MBA '76, is presently employed by Ford Motor Co. as chief product analyst in product planning, advanced vehicle department in Dearborn. His previous employment since graduation was with F.M.C. Corporation of Chicago as a manufacturing analyst, and as a market analyst with General Motors.

GREGORY EDWARD LICHTWARDT, BBA '76, received his MBA from Michigan State University in 1979 and is currently with American Hospital Supply Corp. in Evanston, Ill., as a treasury analyst in finance.

BARBARA L. MOSSHAMER, BBA '76, completed her MBA in June, 1980 at the University of Chicago, following two years as a financial analyst at Crocker National Bank in San Francisco. She is now a financial analyst at Duff and Phelps, Inc., in Chicago.

RICHARD A. NELSON, BBA '76, received his MBA degree, with a double major in finance and international business, from the George Washington University in Washington, D.C. in 1979. He is now assistant to the finance chairman at The General Tire & Rubber Co. in Washington, D.C.

KENNETH J. NISBET, MBA '76, is currently employed by Digital Equipment Corp., as financial manager of planning and investment analysis for an engineering division of Digital Equipment Corporation in Tewksbury, Mass. He writes, "I am enjoying the Boston area but I miss those football weekends. Recently hired Susan Potter, MBA '77, to work with me at DEC."

STEVEN A. ROGERS, BBA '76, is vice president of Rogers Machine Co., in Bay City, Mich. He writes, "After graduating from the U. of M., I worked one year as a legislative aide for Congressman Bob Traxler (D-Mich.). Then I began working in the machine shop of our family business and progressed rapidly to learn how our company operated. Now, as V.P. I manage all aspects of the company. We distribute automotive engine rebuilding equipment throughout the U.S. & Canada. The

equipment is imported from Europe. We provide technical assistance, advertising, brochures, direct mail and regular telephone contact with customers. There is no doubt that my training at U-M school of business has given me a solid foundation to progress from."

LT. JOHN B. RUTLEDGE, BBA '76, is in the U.S. Air Force, Strategic Air Command, 96th Munitions Maint. Squadron at Dyess A.F.B., Texas. He is currently officer in charge (OIC) of the maintenance and storage area, and is also responsible for all weapons maintenance activities at Dyess AFB.

TERRY J. STRUTHERS, BBA '76, is a financial analyst with the Storage Technology Corporation in Louisville, Colorado, and is attending evening classes at the University of Denver, where he will finish an MBA in finance this spring. He plans to enter law school in the fall of 1982.

DAVID F. WIBLE, MBA '76, is employed at Central National Bank of Cleveland as an international officer in finance.

KIRK ZINGLE, BBA '76, was recently promoted to manager of marketing of the management services division of Bernard, Wells, Loving & Co. CPA Firm in Detroit. His current responsibilities include formulation and implementation of all marketing strategies for the firm's data processing consulting services. He says the processing experience needed for his current position was gained through system analyst positions with Burroughs Corporation and the Ford Motor Co. both in the United States and overseas. In August, 1977, he received an MBA in marketing from the University of Wisconsin in Madison.

'77 JOHN J. BORTAK, MBA '77, has been promoted to the newly created position of assistant general manager of Carus Chemical Company in LaSalle, Illinois. He will assume responsibility for operation of the chemical company except for the business development activity. Bortak joined Carus Chemical in April, 1979 as manager of technical development, responsible for the utilization of the latest manufacturing technology for all chemical products. He formerly was employed by BASF Wyandotte Corp. in Wyandotte, Mich., from 1969 to 1979. "The promotion is well deserved," said Blouke Carus, President and CEO, "and we believe that the broadened responsibilities will allow



The first student-alumni forum was held this year under the joint sponsorship of the alumni office and several student clubs. Recently graduated alumni were invited to return to the School and discuss their jobs, their job search, and how effective they found the Michigan curriculum in their career. After the general session, separate meetings were held in various classrooms, so students could talk with alumni in specific fields. Pictures above show only two of the many conversations that took place that day between students and alumni.



to take advantage of more opportunities." Carus Chemical Company is the major manufacturer of potassium permanganate.

DAVID JOHN DONOVAN, MBA '77, is manager of planning at Dart Industries. He tells us, "I am currently getting advanced education in how to merge two multibillion dollar companies. (Dart is expected to merge with Kraft Inc. in the near future.)"

LUIS M. LETAYF, MBA '77, writes to tell us that "since graduation I have been living in Monterrey, a very important industrial city in the north part of Mexico. I work for the ALFA Industrial Group, the biggest in Mexico (currently listed in the Fortune 500), in the planning corporate staff of the Paper and Packaging Division. Our products are pulp, paper and containers distributed throughout the country and partly exported to the U.S. and Central America."

RICHARD C. LOWE, BBA '77, is a certified public accountant as of February, '80. He graduated from Wayne State University law school in July, 1980, and is now working as an accountant in the Battle Creek office of Price Waterhouse & Co.

DANIEL O. KANE, BBA '77, has been promoted to senior actuarial associate in the Ordinary Agencies Department

of the Prudential Insurance Co., Newark. He is an associate of the Society of Actuaries.

PETER MAGLOCCI, BBA '77, has been appointed education director for the First Financial Group and is in charge of training and education programs for offices in Lansing, Grand Rapids and Kalamazoo. Also, he is a continuing member of the U. of M. rugby team.

GARY B. ROSEN, MAS '77, is presently with Provident Mutual Life Insurance Co. of Philadelphia and on May 12, 1980, became a Fellow of the Society of Actuaries (FSA). As a result, he was promoted to an officer position with the title "actuarial assistant."

RICHARD M. SCHMITT, BBA '77, is currently a supervising specialist in actuarial pension consulting at Coopers and Lybrand Actuarial, Benefits, & Compensation Consulting. Also, he is an associate of the Society of Actuaries.

GORDON SINKOFF, BBA '77, recently became a municipal bond broker with Stern Brenner & Co. in San Diego. The firm specializes in municipal bonds and government securities.

'78 RICHARD A. BOROWAY, MBA '78, writes, "I joined GAF Corp.,

Wayne, New Jersey, in May, 1979 after one year with Ingersoll Rand Co. I work now in the corporate finance area, but also do projects in cash management and international finance functions. I am keeping in touch with several classmates in the New York city area: John Bertuzzi, Dave Paterson, Al Cooley and Gene Procknow (occasionally in N.Y.C.). Also, keep in touch with Lee Burgess and Bill Gruetzmacher in Chicago. All of the above have expressed an interest in a class of '78 reunion in the fall at Ann Arbor, but no one's been motivated enough to take charge. Lee did an outstanding job last year with a class newsletter, but the responses were so few that it was hard to justify the time to do another."

CARL J. BURKE, MBA '78, he writes that "After gaining varied experience in advertising, insurance and the Vietnam-era military, I joined the Buick Division of General Motors in 1969. Nine years of accounting and internal auditing experience followed. After earning my MBA from Michigan in 1978, I was promoted to systems analyst, Information Systems Group, where I am now coordinating the installation of financial data systems and assisting in the development of an overall financial model for the company."

HARRY L. FEATHERSTONE, MBA '78, says, "Since graduating from Michigan I returned to active Naval service and reported to the USS Duluth (LPD-6) as supply officer in June, 1979. During that two year tour, San Diego proved to be a great home port. However, our deployment to Hawaii, Philippines,

Amnuay Viravan, Ph.D. '59, is now Finance Minister of Thailand

Dr. Amnuay Viravan, Ph.D. '59, is Finance Minister of Thailand. This information comes to us in a note from Clark Chastain, Ph.D. '58, who is professor of accounting at The University of Michigan-Flint. While visiting Bangkok, Clark wanted to locate Amnuay, with whom he worked closely in 1957-58 on a study of the steel industry. While reading the Bangkok Post one morning, he came across a story which discussed how the new budget of Thailand would check inflation, and which quoted extensively from "Finance Minister Dr. Amnuay." Clark subsequently telephoned "Dr. Amnuay" as he is known in Thailand, and passes on the

message that Amnuay says "hello" to all of his friends at the University.

Shortly after we received the note from Clark, Bernard Nagelvoort, MBA '26, dropped by the Dividend office with news about Amnuay, whom he got to know during a two year stint in Bangkok as advisor to the General Manager of the Industrial Finance Corporation of Thailand. He told us that Amnuay is governor of the World Bank representing Thailand, and also represents Thailand in the International Finance Corporation. He also told us that Amnuay's wife, Samonshi Bunnag Viravan, is a graduate of this school, having received her MBA in 1957.

Australia, New Caledonia, Fiji, Hong Kong, Singapore, Vancouver, and Acapulco had its definite advantages. I was also selected and promoted to Lieutenant Commander. In April, 1980, I was transferred to the Aviation Supply Office in Philadelphia, Pa., where I have total management responsibility for the P-3 aircraft weapon systems. The job is a real challenge and involves inventory procurement, distribution, and control. Budget values around \$50 million are about the annual average."

EDWARD N. FRANKLIN, JR., MBA '78, has recently moved to Tymshare from Data General (a mini computer manufacturer). He is based in San Francisco. Tymshare provides financial and marketing computer services, such as strategic forecasting, cash flow analysis, commercial paper, etc. He also adds, "I will start teaching a course this fall in data base management at the Graduate School of Business, Golden Gate University. I have also become a backpacking leader in the Sierra Club and love the San Francisco lifestyle. 'Perrier' & 'hot tubs' are things I can get behind."

RICHARD P. GREEN, MBA '78, is a senior project engineer in energy management at GM and says, "My work in energy conservation has been rewarding in that our group must motivate divisions and plants to conserve

energy even though we have no direct control over personnel in the plants. Thus, we act as a communications focal point to exchange ideas between plants and provide consultation services to those plants requesting such service. The position has meant overseas travel, learning a multitude of engineering fields, and applying organizational and policy and control theories in an operating situation. One of my main programs is to implement energy responsibility accounting (ERA) throughout GM. ERA places the burden of energy costs on the plant floor where it is consumed. It gives credit to those managers who make an effort to *conserve*. I purchased a home about a year ago and have been remodeling it in my spare time. During the winter it was 4 hours each night plus about 20 hours on weekends. A big project but well worth it. This summer I have been active in my favorite sport—sailing—and have competed in numerous races on Lake St. Clair. I have seen many of my classmates since graduation, including John Hoke, Sid Hoosein, Kim Marchach (Hoke), and Robin Rogers. All are in and around the GM Building in Detroit.

JOHN W. GRUBER, BBA '78, passed the entire CPA in the first sitting. His title is senior accountant at Peat Marwick Mitchell & Co., in Toledo.

GARY L. HABEGGER, MBA '78, has spent the past two years overseeing the investment of B. F. Goodrich pension fund assets. As a financial analyst, he assisted in setting new asset allocation guidelines and in developing and implementing the optimal way to manage each type of asset. He is now the financial analyst responsible for developing cost estimates and plan design for company benefit programs.

MARY ELLEN HOLAHAN, BBA '78, joined American Broadcasting Company (ABC) in June of 1978 and is based in the Southfield, Mich. office which is one of four the company has for commercial air time sales. She assembles sales proposals for sports, prime time, daytime, news and late night shows. ABC is headquartered in New York City and has afforded her many valuable opportunities to stay and work there. All in all, she says it has been a rewarding two years. Her job title is manager of sales proposals.

BECKY JEAN KIMMEN, MBA '78, and her husband, Richard J., are proud parents of a baby boy born March 10, 1980 and named James Richard ("JR") Killigrew. She was formerly in management consulting services at Ernst & Whinney in Boston, and is now on indefinite leave of absence.

MICHAEL R. LARSEN, MAS '78, is a senior actuarial analyst in marketing with the CNA Insurance Company in Chicago. He writes, "Currently, I price professional liability insurance which includes medical malpractice, hospital liability, and architects' and engineers' errors and omissions. I became an associate of the Casualty Actuarial Society in May of this year."

TIMOTHY LITINAS, BBA '78, is an auditor with Arthur Young & Company, in the Renaissance Center in Detroit. He has applied for CPA certification and is awaiting results. He is a member of the National Association of Accountants and of the Electronic Data Processing Auditors Association and says he is now involved heavily in computer auditing.

WADE S. LLENICKA, MBA '78, writes, "I have been working about half a year at Printpack, Inc., in Atlanta, Georgia, a leader in the flexible packaging industry. I am the assistant manager of the Order Control Dept., which acts as liaison between Sales and Production and supervises order processing within the firm. It's a great job for me. I am still active in the Army Reserve, was promoted to Captain about six months ago, and just finished two

years' worth of work to complete my Infantry Officers Advanced Course. I have coached lacrosse at Georgia Tech the past two years and will do so again this year. We're trying hard to build a really good program. Coaching occupies most of my free time after work. I share an apartment with Brad Meier, MBA '78."

DONALD R. MILLAGE, JR., MBA '78, recently completed a multi-function training program (2-year) and is now working in the manufacturing advance planning department of Brunswick, Mercury Marine Division in Fond Du Lac, Wisc.

RICHARD R. SORENSEN, BBA '78, got married in September, '78. He obtained CPA certification in June, 1980 and is now a staff accountant in the Audit Dept. of Plante & Moran in Southfield, Mich.

JEFFERY TOTTEN, BBA '78, was assistant brand manager in marketing at Procter & Gamble, Division of Food Products Advertising in Cincinnati. He is now at the Harvard Business School for their two year MBA program. His first year address is: Chase D-11, Harvard Business School, Soldiers Field, P.O., Boston, MA 02163.

CAPTAIN ROBERT WELO, MBA '78, is at Fort Polk, Louisiana and just finished commanding an armor company of 17 tanks and 89 men. For fun he likes to run, swim, and be father to an eleven-month old boy.

'79 RONALD I. HELLER, MBA '79, obtained his J.D. from the U of M Law School this year and is now practicing law in Honolulu, with the firm of Hoddick, Reinwald, O'Connor & Marrack.

'80 JAMES HOGAN, JR., BBA '80, is training to become a marketing representative for IBM in Southfield, Michigan, and anticipating fully active status by February, 1981.

TERRI SUPPLE, BBA '80, married Roy Jerue on June 7, '80. She is working for Michigan Bell as market administrator in the Fab. Metals/Aerospace Division in Oak Park, Mich.

MARK LUNING, MBA '80, is working at Goldman, Sachs & Co., N.Y., in finance. He writes, "the securities industry combines demands for creativity and intelligence with a need for people of self-starting ambition. The rewards are not only financial (very well indeed!), but also intellectual and social. I strongly recommend that members of

graduating classes investigate both this industry and Goldman Sachs. Please feel free to call me (c/o Goldman Sachs, St. Louis, Mo., 314-622-0300, after the first of the year.

BRIAN McNALLY, BBA '80, is in a one year training program in four different functional areas. His first project is in production, and he started employment in June at the Midland Ross Corp., Division of Midland Brake in Owosso, Mich.

MARK WILLIAM TERMES, MBA '80, is in the head office of A&W Food Services of Canada, employed as manager of

financial planning and analysis. Also he is employed on a part time basis as a sessional teaching assistant at Simon Fraser University for an undergraduate OBIR course. "And last but not least, I have my own company involved with exporting resources to Asian markets. All this and no American Express Card. Best regards."

DANIEL J. THOMSON, MBA '80, was married to Catherine Kroeschell on July 26th, honeymooned at Sea Island, Georgia, and began work in August at National Bank of Detroit, as assistant credit officer in commercial lending.

Ph.D. Notes

ARCHER McWHORTER, JR., Ph.D., '74, has received tenure at the University of Houston, where he is an associate professor in management science. He became department chairman in June, 1979. Archer and wife, Dava, are living in Houston.

ROGER M. ATHERTON, JR., Ph.D., '72, is Baldwin Professor of Business Management at the University of Oklahoma in Norman, Okla. In 1977 he was appointed Division Director of Management and in 1979 he was promoted to full professor. He has recent articles published in the *Journal of Management* and *Business Horizons*.

DUANE A. KUJAWA, Ph.D. '70, and his wife, Sharon, are living in Miami, Florida,

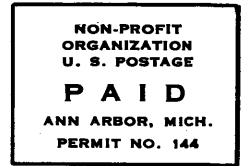
where Duane recently joined the University of Miami faculty as a professor of international business. He is currently a consultant to the U.S. Department of Labor, International Labor Affairs Office, for a study on "Production Strategies and Practices of Foreign Direct Investors in the United States," and to the International Labor Office (Geneva) on "Employment Effects of Multinational Enterprise: A U.S. Case Study."

WILLIAM G. BROWNE, Ph.D. '68, is a professor of marketing at Oregon State University in Corvallis, Oregon. He is vice-president of the Western Region of the American Marketing Association and president of Western Marketing Educators' Association.

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Here

Dividend Magazine
The Graduate School of Business Administration
The University of Michigan
Ann Arbor, Michigan 48109

Graduate School of Business Administration
The University of Michigan
Ann Arbor, Michigan 48109



Editor:

So many MBAs I've talked to are amazed when I describe the subject matter covered in Michigan's BBA program. In many cases it parallels their program. The favorite topic of conversation, when discussing "old college days," is the capstone course—the course that brings it all together, and tries to give us first-hand experience of that all-important concept of synergism. When this topic comes up, I of course relate my experiences of the infamous policy and control class I took at Michigan. Many reflect upon this class with consternation. I however look back upon this class, and particularly the professor, with appreciation. It helped me prepare for the "real world" better than any other class at Michigan. Sure, I moaned and groaned at the time, but I benefited from the experience. My advice to

Letters

the students of this professor is to learn all you can; and to the professor: give them hell Ms. Montgomery!

Patrick J. Mahoney, BBA '80
Financial Analyst, Clorox
Company
Oakland, Calif.

Editor:

The only way Ronald Reagan will whip inflation is to *convince* average individuals as well as executives that the U.S. dollar has *definitely and permanently stopped* shrinking in purchasing power. In order to achieve this end, a simple, dramatic, wholly

and immediately convincing move is required.

I suggest that President Reagan announce that, "Henceforth, within the United States, the value of a dollar will be unalterably pegged at the value of one hot lunch." This hot lunch will consist of a soup, a salad, and a main course. Any quick food outlet, cafe, or restaurant failing to provide the dollar lunch will be immediately closed by city, county, or state police. All incomes, balances, and debts are reduced by half.

I have confidence that you are aware of the feedback effects which will make this a practical and effective move.

Joseph J. Mitchener, III
Castroville, California

Cut Along This Line. Address on Other Side.

WE WANT TO HEAR FROM YOU!

Believing that a two-way flow of information between the School and its alumni is important and mutually beneficial, we are continuing to publish a postcard on which we invite you to write us. Unless you indicate otherwise, we will feel free to publish your remarks in a letters column.