

Dividend

The Magazine of the School of Business Administration • University of Michigan • Spring-Summer 1993

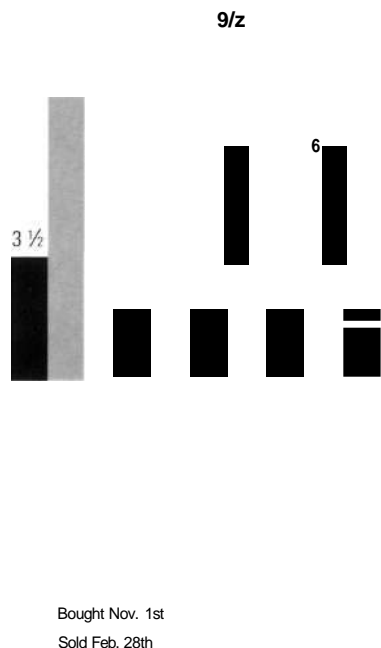


*BBA Student Russell Anmuth Doubled
\$500,000 in Four Months
(See inside front cover)*

Nice Going, Russell!

*BBA Student Russell Anmuth
Wins \$28,000 in Stock Contest*

Russell's Winning Portfolio



Russell Anmuth, BBA '93, took \$500,000 theoretical dollars and turned them into \$1.2 million in four months.

For his efforts, he won \$28,000 in prizes in the 1992-93 AT&T Collegiate stock challenge, which began Nov. 1 and ended Feb. 28. About 20,000 high school and college students took part in the contest, during which each participant takes \$500,000 in imaginary money and "invests" it in stocks of real companies. At the end of each month of the competition, students get a portfolio balance statement that shows how much they have made. First prize goes to the contestant whose investments are worth the most as of Feb. 26.

Russell's secret? A high-risk strategy that focuses on small, fast-growing companies. "I won't invest in a stock unless I think it can double" he says. "I look for 100% return."

Russell does his homework before buying a company's stock. "I always talk to management," he says. "I talk to the company's suppliers. I talk to the company's distributors ... I only invest in companies I understand."

For example, in early fall of 1992, he put money in MTC Electronics, a Canadian company that is building a cellular telephone system in Shanghai, China. The stock traded at \$5 in June and closed in December at "It's one of the few companies in

which investors can purchase a stake that is actually doing business in China right now," says Russell, adding that the Chinese economy is growing at about 9 percent a year with no end in sight. He concedes there's also a risk of political instability but thinks the profit potential far outweighs the danger.

Russell was introduced to the stock market at age 13 by his grandfather and soon was investing in stocks with money earned on his *Washington Post* paper route. He won't reveal the size of his current personal portfolio, but says modestly, "I've done quite well."

His prizes from the AT&T challenge include a 1993 Pontiac Grand AM GT; \$8,000 in cash; a trip for two to the Bahamas; and \$1,200 in AT&T long distance certificates.

Last year, Russell placed first in the USA TODAY/CNBC National Investment Challenge when he turned an imaginary \$500,000 into almost \$1.9 million. The prize was \$10,000.

Russell also placed third in last year's AT&T contest and won \$7,500 by turning the imaginary \$500,000 into more than \$1.5 million in four months. This year, he was the lead contender for nearly the entire time.

However, during the final contest week the Dow Jones plunged 80 points, and Russell's portfolio lost accordingly. But on the last day of the competition, he made a comeback of \$70,000 to come in first. "Russell does his homework," said Randy Parkman, promotion director for Replica Corporation, which managed the competition for AT&T. "He does research and does great analysis."

And what does this young investor plan to do after graduation? He will be working in New York City for the Individual Investor Group headed by entrepreneur Jonathan Steinberg.

(Dividend is indebted to Arthur Bridgeforth, Jr. of the Ann Arbor News and Hiawatha Bray of the Detroit Free Press for substantial contributions to this story.)

Dividend



About the Cover

Our cover pictures Russell Anmuth, BBA '93, who is a whiz at picking stocks. For more about him, see the inside front cover. The photo is by Gregory Fox.

Spring-Summer, 1993

Vol. 24, No. 2

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(but Productive

McDonald's and the EDF Described Their Powerful Collaboration at the First Nathan Lecture on Corporate Environmental Management

The spirit of the new Corporate Environmental Management program was personified at the first of the Nathan Lecture Series when representatives of McDonald's and the Environmental Defense Fund discussed their ground-breaking collaboration.

Robert Langert, director of environmental affairs at McDonald's, and Jackie Prince, staff

scientist for the Environmental Defense Fund, described how they worked together on a seven-member task force to reduce the amount of solid waste generated by the preparation and packaging of McDonald's products.

The collaboration was uneasy at first, the speakers agreed. Both entities had much to gain and lose from the experiment. "We were smart enough to know^r that we w^{ere} only good at running restaurants and needed help," said Langert. On the other hand, McDonald's did not want to be perceived as "caving in"

to environmental interests.

At the same time, EDF worried that they'd be seen as "sleeping with the enemy." "We knew we'd be at risk if the collaboration didn't produce results, and that EDF's reputation as a credible science organization could be hurt," said Prince. On the other hand, McDonald's offered 9,000 restaurants across the country and 18 million customers on whom to test changes.

The idea of the new Corporate Environmental Management program, which is jointly sponsored

Participants in the First Nathan Lecture were (reading from right) Jackie Prince, staff scientist at the Environmental Defense Fund; Stuart Hart, assistant professor of corporate strategy, who moderated the lecture; Robert Langert, director of environmental affairs at McDonald's; Stuart Nathan, BBA '62, Jo Ann Nathan, BSEd, '62, and their son, Scott Nathan, who is a business student at Harvard. The lecture series founded by the Nathans is designed to build bridges between business and environmental groups. At the first Nathan lecture, the power of that synergy was made very clear.



by the Business School and the School of Natural Resources and Environment, is to take leadership in the increasingly challenging and urgent field of environmental management, and to build bridges between business and environmental groups. At the first Nathan lecture, the power of that synergy was made very clear.

The two speakers described how each side devised ways to avoid potential conflicts and take advantage of each other's strengths. First, the task force set up clear ground rules — EDF would accept no money from McDonald's; McDonald's would not be obligated to use EDF's advice; and the two parties could agree to disagree. Then they got to work.

"EDF helped us apply measurement tools to every part of the business, from suppliers to distributors to customers," said Langert.

McDonald's in turn, gave EDF a dose of reality by educating the staff about the complexities of affecting changes within a multinational corporation. The EDF partners learned why changes in packaging and preparation can't occur overnight in a business designed to deliver quick service and high value.

As part of their education, Prince and other EDF staffers worked in McDonald's for a day. "The speed was AMAZING," said Prince. "We were really able to see the need for standardization." They also visited the suppliers and spent time understanding every part of the system, so as to see where solid waste is generated in the restaurant and how critical time and space are to efficiency.

By the end of the two-year collaboration, McDonald's had significantly reduced waste, saved about \$1 million and, with EDF, co-produced a 137-page report that is serving as a blueprint for other companies. Since then, the company has switched from plastic clam shells to paper wrap on sandwiches; switched to unbleached paper bags; and increased the purchase of recycled

"The Point is the People" is the theme for the Michigan Business School's campaign. In this case, the people are (reading from top), Jo Ann, BSEd '62, and Stuart Nathan, BBA '62, whose leadership gift made the Nathan Lectures possible and gave important impetus to our new Corporate Environmental Management Program; Robert Langert, director of environmental affairs at McDonald's; and Jackie Prince, staff scientist for the Environmental Defense Fund. Langert and Prince described their ground-breaking collaboration at the first Nathan lecture.

goods. They have added environmental impact to the short list of criteria used to make business decisions, and the list of initiatives has now grown to 82 items (from 42 suggested when the report was released in 1991.) "What we produced was something way beyond our expectations," said Langert. "We created an environmental policy for the company and devised accountability for it. We have annual conferences with our suppliers. Environmental aspects are now included in our field audits. And we found that almost everything we've done for the environment has been good for our business."

In the beginning, the chances of the project's success were by no means guaranteed; neither side knew if they could really trust the other, enormous amounts of time and energy were required, and the cultures of the two organizations were far apart, with action-oriented McDonald's looking for speed and efficiency, and data-focused EDF demanding the thorough study and detailed documentation that goes with scientific work. "We wanted one-page chapters," says Langert. "They brought in 50-page chapters."

What the study showed him, Langert says, is that environmental progress is not a one-shot deal: "It's a series of bunts and singles," he says. "Too many corporations have a home-run mentality." And for a company like McDonald's, with its 9,000 restaurants, even a small change has a large ripple effect, he

Advice to Companies Contemplating Pro-Environment Changes

Langert says:

1. Pick a well-defined, so-called "hot" issue. When you're out there, it states people are worried about environmental justice.

2. Don't get into it if you're leaping into it and willing to share the blame. "Otherwise it's like going to the doctor to get a diagnosis. You can't look at the patient's medical history."

3. Be aware of the power of the media.

4. Don't move your will to a to-morrow moment. Both McDonald's and Shell's evidence is clear. Senior executives of Shell's Yastrow were solid behind the program.

pointed out. "Reducing the diameter of drinking straws by 6 percent saved \$1 million worth of plastic in a year," Langert said.

Perhaps the most valuable contribution EDF was able to make to McDonald's was to provide them with a more comprehensive view of solid waste management. "Initially, they, like many companies, thought of it as keeping things out of the landfill," Prince says. "We helped them think much farther upstream, helped them consider the ways their suppliers could make changes, too."

In the question and answer period that followed, Business School Dean White observed that the "overwhelmingly positive tone" of their presentation sounded almost too good to be true.

Prince, in replying, said that while the process was smooth and the results excellent, the many meetings they held together "were

not easy," that there were indeed tense moments, that they often became tired and frustrated. "It's not easy to communicate what those meetings were like," she said. The future for environmental progress, she noted, does not represent unalloyed joy either. The issue of reuse of containers, such as shipping containers, is a difficult and unresolved one. And there is major frustration on her part around issues such as composting. "It's frustrating when a company like McDonald's can't find anybody to compost their organic waste," she says.

But the work with McDonald's did show her, Prince says, that there is a strong imperative to look at ways that companies can achieve environmental progress outside the regulator's framework, and that blanket laws often don't account for the peculiarities of specific enterprises. "We have to devise the right mix of flexibility

and accountability," she says. "There are so many different manufacturing systems."

As for EDF, they're now engaged in a dialogue with General Motors. And McDonald's is moving bravely forward on the environmental frontier. They're staying in touch with EDF while they do it, too.

The Jo Ann and Stuart C. Nathan Lectureship Series brings corporate executives and environmental policy makers to campus with the goal of explicating vital issues and helping businesses respond in meaningful ways to the challenges posed by ecological concerns. The Nathans' own backgrounds, his in real estate development and hers in landscape preservation, made them aware, Jo Ann said at the lecture, of the "antipathy between the two groups" and of the need to break old patterns in order to build a better world.

Prince suggests:

1. Find a "hot" issue. "I'm always surprised when a company has the bullet," she says. "I hope it is one."

2. Find a way to get it done. "It's not a whole lot of money, but it's a step."

3. Find a way to get it done. "It's a relationship in a pot of gold."

4. Don't get it done. "It's not a good thing to do. It's a bad thing to do. It's a bad thing to do. It's a bad thing to do."

Selling Annie Pie in Japan

The challenges and rewards of trying to sell American goods and services in Japan was the topic of the

Fourth Annual Japan Conference, presented by the International Business Club at the Business School. The consensus that emerged from the two-day symposium was that despite widespread public perceptions, success in the Japanese market is both possible and profitable. But it takes hard work and commitment.

The first obstacle that firms often encounter is the long negotiating process with potential customers, suppliers and partners.

Heinz Prechter, chairman and CEO of American Sunroof Company, discussed his ten-year quest to persuade Japanese automakers to purchase his sunroofs.

"It is important that they get to know you before doing business with you," said Prechter. This can lead to some embarrassing situations for Americans. At one point Prechter met with several Japanese executives at a karaoke bar. "I was speechless when I was handed a microphone and had to sing," he recalled, "But we had to demonstrate our adaptability to Japanese culture. . . . You have to recognize that the fruits of your labor will not appear overnight. But they will materialize ultimately." American Sunroof Company went on to acquire the business of several Japanese auto companies, including Toyota and Nissan.

Dr. Wolf Strehlow, director of business development of industry and consumer products at 3M, had similar advice for US companies. When 3M began work in Japan, its customers

demanded that the company be able to modify and produce products within seven days and deliver orders within three hours. "Our first reaction was just to throw up our hands," recalled Strehlow. But by working closely with their engineers and locating plants in particular locations, 3M found it could meet those requirements.

3M established a joint venture with Sumitomo in 1960 and presently employs over 3,500 people in its Japanese facilities. In a 1991 survey of Japanese executives, Sumitomo-3M ranked third in performance behind Sony and Matsushita.

He also discussed the human resource challenges that faced 3M when it set up operations in Japan. Managers must think long and hard about which positions should be filled by Japanese and which should not. Americans must also recognize that the work ethic in Japan is unique. "The saying is that success is 10% inspiration and 90% perspiration," Strehlow said. "In Japan my assessment is that all is perspiration."

Not everyone at the conference thought that access to Japanese markets was available. One executive characterized the market for his company's product as a "vertical playing field." "Mere quality and cost competition are not enough to crack the market," he said, describing how predator? pricing, closed distribution systems and building codes are used to keep foreign competition out.

Prechter and Strehlow acknowledged that there is no magic formula for success in Japan and that their firms have had to learn some tough lessons to compete abroad. "But," Prechter added, "it is equally challenging to participate in any foreign market. Doing business abroad is an educational process, often using trial and error."

Breakout sessions available at the conference included "Managing the Work Force in Japan;" "The Japanese Public Sector: Working Within the System;" and "In the Trenches: Attempts at Success."

In addition, three different case studies were presented.

Case 1, entitled "Unique Business" came from Microsoft; *Case 2*, entitled "Joint Venture," was presented by Honeywell; and *Case 3*, "Traditional Business" was presented by Guardian Industries.

A question and answer period followed the case presentations.

(This article was adapted from a similar article in the *Monroe Street Journal*.)



by
Hugh
Morgan

Ahnnt MOYTF VISION, and HOPE

*Co-Founders o\
roots: Hurt
Show Business
Leadership as
ThmWorkon
Providing Food,
Education and jobs
in Detroit*

Right after the LA riots, a 20-minute segment on the McNeil-Lehrer report observed that those who wanted to rebuild LA should take a good look at Focus: HOPE in Detroit for inspiration and ideas.

Part business, part charity, and part job training organization, Focus: HOPE has become a potent influence toward building a just society in Detroit.

This year, the joint recipients of the 1993 Business Leadership Award were Focus: HOPE's co-founders — Father William T. Cunningham, a charismatic Roman Catholic priest, and Eleanor M. Josaitis, a dynamic and articulate citizen. The two combined make a powerful team, replete with vision, moxie, persistence, intelligence, and hard-nosed practicality.

Over the years, Focus: HOPE has emphasized food, education and jobs, and has shown business leadership and imagination in develop-

ing programs that address those needs. Business School students now participate in Focus: HOPE, both as part of the Global Citizenship Orientation Program and as summer interns. Joseph Petrosky, MBA '91, is Director of their new Center for

Advanced Technologies, a national demonstration center which opened this year

At the Business Leadership ceremonies, Josaitis spoke about the local work of Focus: HOPE, and Cunningham placed that work in a national context. Altogether, the organization sprawls over three city blocks along Oakman Boulevard, its enterprises divided among 18 different buildings. The organization's annual budget of about \$50 million comes from foundation grants, state and federal grants, and money earned by their for-profit companies. Of the men and women who come to Focus: HOPE, eager to find a better future, they ask



Focus: HOPE's co-founders Father William T. Cunningham (third from left) and Eleanor Josaitis (fourth from left) accept the 1993 Business Leadership Award presented to them by (left to right) Brian Jones, vice-president, and Joseph Kostolansky, president, of the Student Council. Cunningham and Josaitis began Focus: HOPE in Detroit in 1967. It now employs over 450 staff members, and involves more than 41,000 volunteers.

three things: show up every day, show up on time, and pay attention.

"We started Focus: HOPE after the riots in Detroit in 1967, with one goal and one purpose which has not changed in 25 years: to build a just society with black and white people working together. That's our mission, that's our purpose and that's our goal," said Ms. Josaitis. Focus: HOPE has worked toward this goal with immense practicality and intelligence, addressing needs and opportunities as they presented themselves.

Cunningham and Josaitis began in 1968 with a food program. They started with 1,000 mothers and children, and later added a Food for Seniors Program. Focus: HOPE now feeds about 84,000 people a month. But that's only the beginning. A further objective is to get people off the food program and into a position where they're financially secure and have jobs and education and training and can provide for their families. "The issue here is to provide the tools and discipline and very best of training and equipment to bring minorities and poor whites into real positions of control, at the very center of the technological revolution," says Father Cunningham.

In 1981, a major manufacturing company closed up shop and moved out of Detroit, so Focus: HOPE purchased the plant and began the Machinist Training Institute (MTI) to train young men and women to become skilled machinists.

Renamed Industrial Mall, the 25-

acre, 608,000 square-foot plant and office complex welcomed its first class in September, 1981. Today, MTI has graduated close to 800 candidates trained to meet the needs of the precision machining and metalworking professions.

An important snag developed one day when, after testing 187 men and women who all had graduated from high school, Focus: HOPE found

high school graduates. The program is described as "a short-term investment in long-term earning power," and offers its participants intensive, computer-managed development of reading and math skills; an orientation to modern manufacturing; regular counseling to discuss progress and set goals; and practical sessions on successful workplace behavior. Each session lasts for only seven weeks. Participants are required to be present and on time every day — eight hours per day; no absences; no tardiness.

A year after the founding of MTI, Focus: HOPE's first for-profit company, Cycle-Tec Remanufacturing, took its place in Industry Mall. The company rebuilt General Motors transmissions and employed close to 100 workers. Focus: HOPE added two more for-profit companies soon after. In June 1985, High Quality Manufacturing, Inc., which supplies engine hoses to Detroit Diesel Corporation and emission control harnesses to Ford Motor Company was formed. F & H Manufacturing, a machining production business, followed in 1989.

In 1984, Focus: HOPE began plans for a Center for Children; broke ground two years later; and now operates the Center for infant and toddler care, Montessori preschool education and a before-after school program as well.

The newest Focus: HOPE project is the Center for Advanced Technologies (CAT) which offers a six-year program to train men and women to become engineer/technicians; able to build, operate, maintain, repair and modify ad-



M. The Focus: HOPE logo shows black and white hands reaching toward one another and symbolizes Focus: HOPE's goal — to build a just society with black and white people working together.

that only 27 of them could pass the 10th grade math test. So, true to their tradition of meeting needs where they find them, the organization started a new program called "Fast Track," to upgrade the math and communication skills of recent

vanced manufacturing equipment at world competitive levels. Student-workers gain structured work experience combined with classroom study. In addition, they earn competitive wages while working on actual contracts through Tec Machining, the production arm of the CAT. This training program is supported by federal, state and local governments, corporations, private foundations, universities and technical institutes.

Director of the new Center is Joe Petrosky, MBA '91. Trained as an engineer as well as a business administrator, Petrosky was one of the Michigan Business School's first MBA Corps interns in Poland, and he has brought his insights from Krakow to Detroit. "One of the things that attracted me to Focus: HOPE and the CAT was the opportunity to blend business and technical skills in the context of the community," says Petrosky.

In the summer of 1992, two Michigan MBA students had internships at Focus: HOPE. Cortland Coene worked with Petrosky at GAT, where he completed projects in long-range planning, researched case studies and working papers for a survey of flexible manufacturing in the machine tool industry, worked on a task force to study process optimization, and evaluated program management software for CAT. The other intern, Kelly Markus, channelled his interest in marketing to help Focus: HOPE with strategic planning. Among other things, he created a marketing brochure for the Fast Track program. "These three men have been writing the script as they go along," says Josaitis. "They are open, professional, and enthusiastic. Rather than being intimidated by circumstances, they are excited by solutions. How fortunate companies will be to get someone like this." (This summer

*"Let's take a neighborhood in Detroit and bid it the highest technological capability that *v ever been done in the world. And zvatch that siveep through the neighborhood. Watch it affect the schools, the housing, the people 'v jobs,"*

*Father William Cunningham,
Co-Winner of the 1991 'Hus'ntess Leadership Award*

three MBA interns will work at Focus: HOPE. They are being sponsored with the generous support of Tom Jeffs, BBA '60, MBA '61, vice chairman of the board of NBD, and his wife, Pat Jeffs, BA '63.)

Says Father Cunningham, "We need business people to help us and everyone else by building a constructive and productive society." For his part, Dean B. Joseph White says, "In America we face as big a challenge to develop an enterprise culture in our own inner cities as we do in Eastern Europe. The focus is the same: economic opportunity and jobs. We want to be involved in that process with partners like Focus: HOPE in Detroit."

Another goal at the University of Michigan, says White, is to develop business leaders who, in addition to being outstanding corporate leaders, have a sense of responsibility and values in how they conduct business. He says he is very happy to be able to participate in this educational goal with Focus: HOPE, which he describes as one of the most exciting and visionary organizations in the country.



Father Cunningham (left) and Joe Petrosky, MBA '91 (right) talk outside the annex of the Center for Advanced Technologies, of which Petrosky is director. In the center is Cortland Coene, MBA '93, who spent the summer of '92 working as an intern at Focus: HOPE. This summer, through the generosity of alumni donors, three MBA students will have summer internships at Focus: HOPE as members of the Business School's new Domestic MBA Corps.

The initiative to start active city clubs for Business School alumni got off to a good start in February, when Dean B. Joseph White was in Cleveland to begin the first in a series of speaking engagements organized by the newly formed Business School Committee of the U-M Club of Cleveland. A second city club is being organized in Chicago, where Dean White spoke at the kick-off meeting April 27.

The city of Cleveland has had an active University of Michigan alumni group for many years. However, four Business School alumni — John McCarty, MBA '82; Paul Campbell, MBA/JD, '54; Deanna Bremer, MBA '92; and Steve

Georgi, MBA '92, formed the Business School Committee in August because they believed it was important to institute programs of specific interest to Business School graduates and other U of M graduates engaged in business in the Cleveland area.

"One of the most valuable aspects of my experience at Michigan was the opportunity to interact with my fellow students. I learned as much from them as I did from my professors, and I didn't want the experience to end when I left school."

The group has planned three additional events. In April, John Morley, MBA '58, president and CEO of Reliance Electric Company, spoke about Reliance's leveraged buy-out and public offering. In July, Richard Pogue, JD '53, managing partner of Jones, Day, Reavis & Pogue and chairman of the Greater Cleveland Growth Association, will speak to alumni,

Here Come the City Clubs

Cleveland Committee Organizes the First in a Series of City Club Initiatives

"We see the committee as bringing many benefits to both alumni and the School," said Deanna Bremer. "It will give alumni a chance to network and enable them to keep up-to-date on business practices in industries other than the one in which they happen to work."

The club also will provide a base from which to obtain up-to-date information about alumni, help current students find internship and permanent positions, and give prospective students an opportunity to learn about Michigan.

"I also have another reason for wanting to help organize an alumni group," said Deanna.



The Business School Committee of the U-M Club of Cleveland met on St. Patrick's Day to plan future events. Deanna Bremer, MBA '92, is in the center. Standing behind her, left to right, are Paul Campbell, MBA/JD, '54; John McCarty, MBA '82, incoming president of the U-M Club of Cleveland; and Steve Georgi, MBA '92.

summer interns, and prospective students about the city of Cleveland. And in October, Paul Brentlinger, MBA '51, general partner of Morgenthaler Ventures, will discuss the venture capital process.

If you are interested in learning more about the University of Michigan Club of Cleveland Business School Committee or other city clubs, please contact Jeanne Wilt, MBA '89, Director of Alumni Relations, Michigan Business School, the University of Michigan, Ann Arbor, Michigan 48109-1234. (Telephone 313-763-5775.)

CHANGE UKDLL

*A new book by
Professor Noel Tichy
and co-author
Stratford Sherman
chronicles the painful
process of transfor-
mation at GE.*

P

rofessor Noel Tichy sounds a wake up call. His challenge is: Are you as good at what you do as the best person in the world? If not, how do you plan to survive the next 20 years?

That is the question posed and answered in Tichy's new book, *Control Your Destiny or Someone Else Will*, co-authored with Stratford Sherman of *Fortune* magazine.

The book, published in January by Doubleday, is subtitled: *How Jack Welch is Making GE the World's Most Competitive Company*. Welch took the established order at GE and threw it out, presiding over the elimination of scores of the company's businesses and more than one-third of its jobs, leading GE and its often terrified employees through a transformation that ranks among the most ambitious, agonizing and successful of all time, according to the authors. At the same time, they say Welch was creating a new style of consensus management based on shared values and the empowerment of individuals.

In their book, which has been excerpted in *Fortune* magazine and the United Airlines in-flight magazine *Hemispheres*, Tichy and Sherman

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explain Welch's ideas and how to apply them. Tichy has worked closely with Welch as a consultant since 1982, and in 1985, took a two-year hiatus from his university position to head up GE's Management Development Institute in Crotonville, N.Y., where he directed GE's worldwide developmental efforts. Sherman, a long-time member of *Fortune's* editorial board, has been writing about GE for nearly a decade.

The authors spent 110 hours interviewing Welch. Their research, conducted over the course of several years, also includes scores of interviews with GE staffers — from leaders of multi-billion dollar business units to management trainees straight out of college. They benefited from unmatched access to confidential GE documents, which ranged from internal financial reports to the revealing evaluations in Jack Welch's own personnel file.

The book begins with "Act One — The Awakening" (10 chapters), and continues through "Act Two — The Vision," (five chapters). The concluding chapters are grouped under "Act Three — Revolution as a Way of Life." A 71-page "Handbook for Revolutionaries," which includes worksheets to help those who want to change their organization, is included at the end of the book.

Welch's central idea of being #1 or #2 in every market it serves has guided decision making at GE for 11 years, resulting in \$11 billion dollars of divestitures and \$21 billion in acquisitions. GE's stock is worth five times what it was in 1981, making the company one of the United States' most valuable enterprises.

"When I try to summarize what I've learned

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Prof. Noel Tichy makes a point to assembled Business School students at the kickoff of the 1992-93 MAP Program.

since 1981," the authors quote Welch as saying, "one of the big lessons is that change has no constituency. People like the status quo. They like the way it was. When you start changing things, the good old days look better and better. You've got to be prepared for massive resistance.

"Trying to define what will happen three to five years out, in specific quantitative terms, is a futile exercise. The world is moving top fast for that. What should a company do instead? First of all, define its vision and its destiny in broad but clear terms. Second, maximize its own productivity. Finally, be organizationally and culturally flexible enough to meet massive change.

"The way to control your destiny in a global environment of change and uncertainty is simple: Be the highest value supplier in your marketplace."

Tichy, who is professor of organizational behavior and human resource management at the Business School, has been preoccupied with change ever since he arrived at Columbia University in the late 1960s to study for his Ph.D. "Half my teachers in those days were activists," he remembers, "and I wrote my thesis on different types of change agents. Among those I interviewed were members of the Black Panther party, radical anarchists, community organizers, and, for a change of pace, consultants with McKinsey & Co."

The result was a typography of change

agents, based on their values, how they conceptualized organizations, and the methods they had used. Tichy has been working on that topic ever since.

"I'm a capitalist who feels we need a new form of capitalism to operate in the 21st century," he explains. "We have to figure out how business can compete like hell on the global playing field and, at the same time, cooperate in a global community to solve environmental and human capital problems. If the problems are not solved, there won't be any rich base to do business. So to tackle these issues — poverty, health care, lack of education, pollution — is not just doing good, it's enlightened self-interest. I'm a firm believer that wealth producing institutions of the world, namely businesses, are the only potential engines for social change."

Tichy has implemented these ideas not only through his writings, but also in his development of the Global Leadership project at the Business School, a 36-company consortium of American, Japanese and European firms that participate in an intensive program for developing the global management skills of senior executives. Besides "Control Your Destiny," he is co-author of "The Transformational Leader," a book written in 1986 with Mary Anne Devanna of Columbia University, that explores the change agenda of twelve organizations. He has also written numerous articles on organizational change.

Seven-Week "Cycle Time" Gives Innovation a Push

New Class in Organizational Issues Builds on Strengths of Executive Education

On the day Michigan's Executive Education Program was ranked number one in the country by *Business Week*, Assistant Professor Paula Caproni commented joyfully about the ranking to her class of MBA students. She says, "They all looked at me and said, 'Yes, but what does it do for *us*? That started me thinking."

What she thought about was how to incorporate some of the Executive Education strengths into a class. "We have such wonderful faculty resources in our organizational behavior department," she says, "I wanted to create an opportunity to bring them together in one place."

Because the Business School has now made it possible to offer seven-week courses as well as the traditional 14-week offerings, Caproni was willing to take what she calls "a leap of faith" to try to create a course on critical challenges facing organizations, primarily featuring senior faculty members who teach in Executive Education, each of whom would present one class. When she first had the idea, some people

discouraged her, saying that busy senior faculty would not have the time to contribute to such a course. But, she says, "I thought it was worth trying. You've got to be willing to accept the idea of failure if you're going to try to innovate, but failure in a seven-week course is not as threatening as it would be in a 14-week course." So she went ahead.

The course involved a gift of the faculty's time, says Caproni, but they all agreed to do it. "I think they were willing to contribute their time because of their commitment to the field of organizational behavior, to the MBA students, to the future of business and society, and because the course links all of these. What I contributed was the idea for the course and a framework to pull it all together," she says.

Twenty-five students pre-registered for the new course, but when Caproni posted the syllabus on her office door, the enrollment rose to 35, and by the time word got out after the first class, enrollment reached 56.

Among the presentations were:

Kim Cameron, faculty director of the Management of Managers program in Executive Education, spoke on "Developing a Quality Culture in Organizations." Cameron is professor of organizational behavior and human resource management.

Noel Tichy, director of the Global Leadership Program in Executive Education, lectured on globalization and transformational leadership in the 1990s. Tichy is professor of organizational behavior and human resource management.

Dave Ulrich, adjunct associate professor of business administration who is the director of Executive Education's Human Resource Executive program, spoke on "Organizational Capability as a Competitive Advantage," which included a discussion of leadership challenges in the 1990s.

Judith Olson, professor of computer and information systems, spoke on "Technology for Groups," including material on new research being done on how technology can support group work.

Robert Quinn, Director of the Ford LEAD program in Executive Education, discussed "Deep Change or Slow Death," in which he described how organizations traditionally confront change and what techniques can be

used to modify that response. Quinn is professor of organizational behavior and human resource management.

Janet Weiss, associate dean for the doctoral program and associate professor of organizational behavior and public policy, spoke on "Business and Education," including comments on whether business has any business in education, and how the private sector can help the schools.

Karl Welch, a core faculty member in the new Executive Education course on "Managing Critical Issues," discussed "The Challenge of Confusion: Sensemaking in Complex Systems." Weick is the Rensis Likert Collegiate Professor of Organizational Behavior and professor of psychology.

Other presentations dealt with a comparison of Japanese and American firms in their approach to team work and corporate culture; and the concept of paradigms and how they can influence the capacity for change in an individual or society.

There is no doubt that the flexibility that seven-week courses allow has proved to be an impetus for innovation. Before the seven-week option was initiated by the School, there were 72 elective classes that could be chosen by MBAs; now there are 113. Not only does the seven-week structure encourage more risk taking, it also allows for greater variety and co-teaching possibilities.

The seven-week length makes sense for some classes but not all. Disadvantages include; faculty do not have as much time to get to know students; two sets of exams and grades add administrative costs; finals are highly concentrated; and students may find that one missed class is more damaging than in a longer course. But all in all, both faculty and students feel that adding the seven-week option for some classes has been a welcome addition to the School's offerings.

Student comments on Caproni's class, which will be offered again in Fall '93, were highly positive, "I loved this class," wrote one. "An experiment that worked. Congratulations!" said another. "A terrific idea," said a third student.

"It was great to get exposure to so many of our senior professors in one course."

One student had a particularly interesting suggestion. "I think this should be a 14-week course," he wrote.

At the same time Caproni's class was being offered in the MBA program, Executive Education was offering a new two-week course entitled: "Program for Management Development: Managing Critical Issues," designed for functional managers and emerging business leaders who want to stay current with the best management practices for the turbulent environment of the 1990s. Studies indicate that the important challenges companies face will be increasingly cross-functional and interdisciplinary in scope. Future leaders will need the ability to integrate multiple perspectives and to merge paradoxical processes.

Issues faced by virtually all organizations in the 21st century are addressed in the course, including globalization, cost containment, organizational rightsizing or downsizing, quality and continuous improvement, managing innovation, and time-based competition. The

course offers a variety of functional perspectives on these issues due to the involvement of a multi-disciplinary core faculty.

Participants each write a case study or describe an incident that personifies a specific challenge they are facing related to one of the issues. The cases serve as a stimulus for analysis, discussion, and faculty presentation material in the program.

Discussions are also held on leading organizational change, managing systems change, and organizational innovation as a source of competitive advantage.

The program includes a diagnosis of the strengths and weaknesses of each participant's organization on the issues presented, the formation of an improvement agenda, and an update of key competencies needed for effective leadership in the senior executive role.

This program is designed for functional managers in either line or staff positions who have the potential for future senior level positions in the organization and want to develop a cross-functional perspective. The course is positioned between the month-long Executive Program and the program on Management of Managers.

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Before the seven-week option was initiated by the School, there were 72 elective classes that could be chosen by MBAs; now there are 113.

Three for (and for *The Stor* *Entreprene*

1 Starboard Software Has Wind in Its Sails

"If I'm going to be sitting in front of a computer all day, I'd rather be doing it for myself," says Gary Shelef, MBA evening student who has spent the last year developing a sailboat racing game and is marketing it under the name "Sailing Master."

Gar}, who is financing his business venture with money he earned when, manufacturer's representative, he sold several large accounts, says he has learned a lot. Lesson one: keep your overhead low. On the advice of Bill Martin, MBA '65, real estate developer and world-class yachtsman, he did NOT rent an office, but chose instead to work out of his apartment.

Gar}', whose background is in computer graphics, got the idea to develop a program on sailing, bought himself a Macintosh and went to work. "I didn't realize how complicated it would be," he says. "I had been used to working on more sophisticated equipment. Figuring out how to guide the computer boats around the course and what obstacles they would run into kept building on itself. What about wind shifts? What about 'bad air?' (sailing lingo for one boat getting behind another boat and thus having its wind cut). I kept having all these ideas for different features. In fact, I became obsessed with the thing."

Six months later Gar}' emerged with a product, and then came the hard part, he says. "Getting it out there was difficult and costly.

Developing the game is not that expensive in terms of laying out money, but marketing really costs. You need to get manuals printed up, you need to buy advertising, you need to find a name and get it trademarked. I gradually got used to writing bigger and bigger checks."

Still and all, Gary says it's been worth it. "What I've found is that most jobs don't offer nearly the variety of being in business for yourself. Even so, I developed the product and then I wrote the business plan. Maybe if I'd developed the business plan first, I wouldn't have done it."

But talking to Gar}', you don't believe he "wouldn't have done it." He has lots of plans. First, he wants to translate the program into Windows. "Now that I have the Mac version out I have so many requests for Windows," he says. "There are 10 million Macs capable of running my software and about 25 million machines that could run it on Windows. It's a whole new challenge, like translating something from French into English."

Also, he explains, it would be great to figure out how people can play against one another on networked computers. "How about racing each other, where each person has one of the boats," he enthuses. "And I'd like to see if it all could be done in three dimensions."

All the time he has been running his business, Gar}' has been taking evening classes toward his MBA. "I tied most of my classes into my business needs," he says. "For instance, in my business telecommunications class I'm writing a term paper about what it involves to get two computers networked to play the game. And I wrote my business plan in another one of my courses." Gar}' plans to graduate next year.

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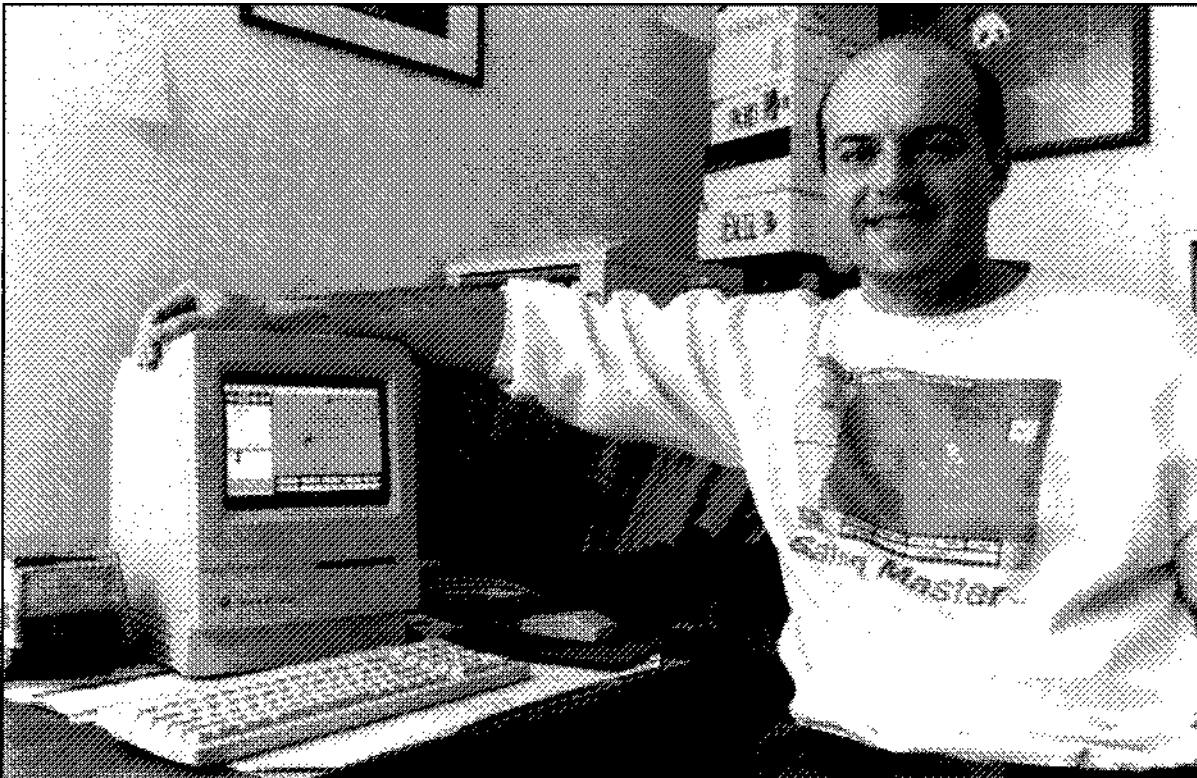
rial Ventures

There are three kinds of uses for the sailing program. "I had originally intended it as a tool to teach people how to sail, and as a game," says Gary. "But experienced sailors tell me they are using it as a simulator, to practice reacting to wind shifts and other sailing challenges." (Sailing Master sells for \$59.00.)

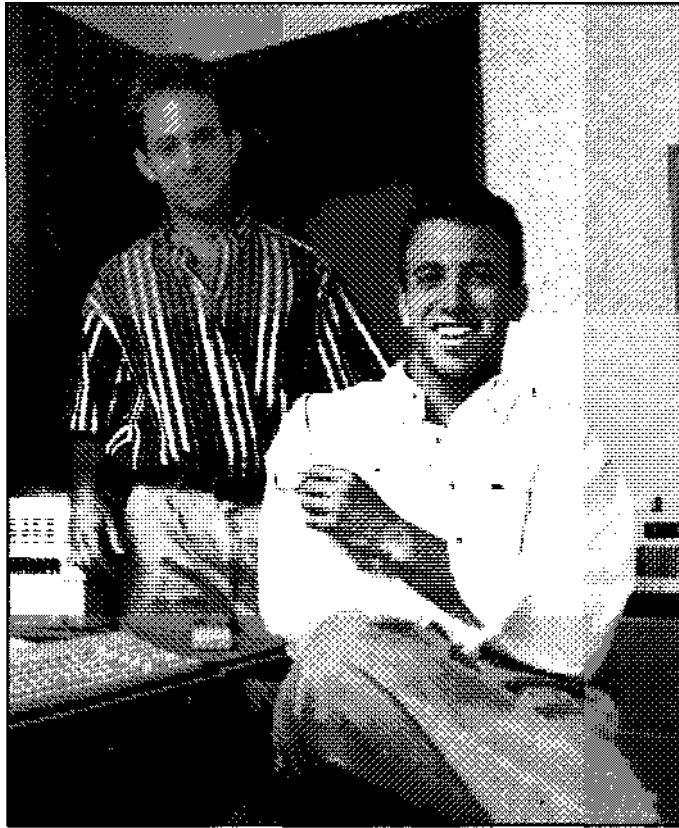
People from all over the world have bought the program (and, incidentally, invited Gary⁷ to go sailing with them). With the Electronic Arts game "PGA Tour Golf" racking up \$100 million in sales for computers and video games, and

Microcrossoft's "Flight Simulator" pulling in an estimated \$50 million, Gary⁷ thinks it not unreasonable to hope that he can carve a profitable niche in the games market. He released a new version in April, and already has plans for extending the product line to similar programs based on other recreational activities.

(Starboard Software may be reached at Box 130014, Ann Arbor, Mich. 48113. (Phone: 313-662-4393, Fax: 313-662-0425.)



MBA evening student Gary Shelef shows his "Sailing Master" game, a new version of which was released in April.



Gregory Fox

Matt Engelbert, BBA '90 (seated) and his brother, Jon, run the Beige Bag Software Company out of the Engelbert family home, where their father also has a business in investment advising.

Engelberts Launch Software Company

Fresh out of the University of Michigan in 1990, brothers Jon and Matt Engelbert launched Beige Bag Software, which produces and sells software on which electrical engineers and students can design, simulate and test analog and digital circuits.

Right then, Matt, BBA '90, began getting great experience in marketing. "We wanted to get the word out," he says, "because there were other products on the market, but typically they were 'industrial strength programs' — very large and cumbersome — not really developed for students."

Jon had developed two software products as teaching tools while he was getting his master's degree from the U-M in electrical engineering. "With a textbook," he explains, "students could read about how a circuit is supposed to work, but they couldn't try it out, and the average

student also couldn't afford the \$500 that simulator programs cost at the time. What was needed was an affordable software program that could give students hands-on experience with integrated circuits."

By the time Jon graduated, he realized he had the core of a marketable product. It was then that the brothers started talking about going into business together, with Matt as the business and marketing manager.

They were encouraged by their Dad, David Engelbert, BBA '58, who promptly offered the entrepreneurs space in the family home to get them started. "There's no way we could have done this," says Matt, "without the support of our folks. My Dad went out on his own 12 years ago as an investment advisor and was living proof that if you have a good product you can make a go of it. He is an entrepreneur at heart. In fact, when I was a senior at the Business School, whenever I would tell him I was going for a job interview, he would look a little disappointed. Our mother is our office manager and is indispensable to the company."

To market the products, Matt bought a book listing all the universities in North America and went through it page by page (there were 1,914 pages). He underlined every⁷ university that had an electrical engineering department or that offered electrical technology courses (about 700 schools); then called every⁷ one." I figured I knew how to sell a product," he says, "but the marketing was a little more tedious and frustrating than I expected." The phone bills were also high — running to about 19 pages per month.

All the effort is paying off. Over 65 universities are now using Beige Bag products, including Michigan, the U. of Illinois, Stanford, the Air Force Academy, and universities in Israel, Turkey, Thailand, India, Canada and Australia. Revenues have grown from about \$25,000 in 1991 to almost six figures in 1992.

The brothers plan new releases of their products this year — ones that also have more of an application to industry, priced around \$250. The company currently offers B2 Logic, a digital circuit simulation program, and B2 Spice, which simulates analog circuit design.

Matt is currently working on nationwide and international marketing, and says Beige Bag's low prices help it stand out in the crowd. The two products sell for \$149 for professionals. Special university site licensing, and student prices are available. In addition to the 56 universities they now count as customers, they have over 1,100 individual users, and, says Matt, "I am on the phone with professors all day —

just like in the beginning — although now sometimes *they* are calling *us* instead of the other way around."

(Beige Bag Software may be reached at 715 Barclay Ct., Ann Arbor, Mich. 48105. (Phone: 313-663-4309, Fax: 313-663-0725.)



Pianist Dixon R. Doll, Jr. (seated) and his marketing manager and classmate Eric Greifenberger, BBA '89, show off the compact disk and audiotape "In the Dark" which is the first product of Doll Productions, an independent distributor of music. So far they have gained national radio play across the country and have been reviewed in national musical publications, while selling over 400 albums at the University of Michigan.

Doll Productions is Playing Well

After first-year MBA student Dixon Doll wrote and produced his own piano solo album entitled "In the Dark," which was co-produced by Howard Johnston who most recently co-produced George Winston's "Summer" album, he decided to attend Business School to learn how to build a distribution company for his album.

"I realized there are a lot of great musicians that are never heard because they don't have a well-thought-out game plan for the future," says Doll, who was inspired to begin composing after attending a George Winston concert while an undergraduate at Georgetown University. "It's not enough to have a dream. You also need an immediate plan on how to achieve the dream."

On his first day as an MBA student, Doll met classmate Eric Greifenberger, BBA '89, and the two decided to form Doll Productions, an independent entrepreneurial distribution company for "In the Dark."

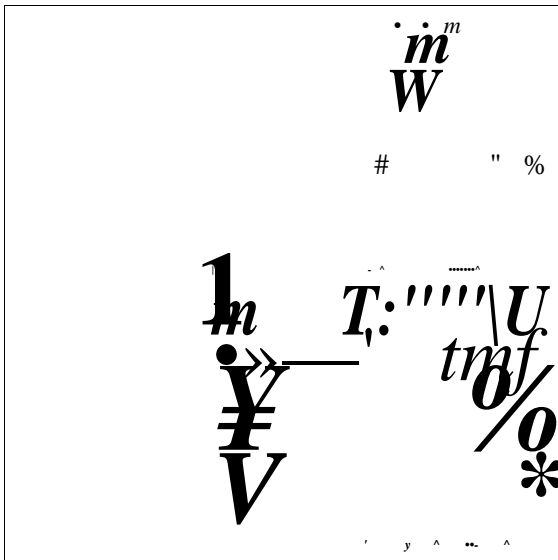
After taking Prof. Stuart Hart's corporate strategy class at the Business School, the two realized that they also needed to try new and different ways to get their product to market. They started out by playing the music in the Business School lounge one afternoon, which led to the sale of 33 albums. Thus encouraged, they decided to try the same strategy at the Michigan Union. "People would be rushing around during their busy day and they would stop, listen to the music and buy an album," says Eric.

Inspired by the success of this effort, Dixon and Eric started playing for undergraduates in various sorority houses, at the Law School, and for the Business School Christmas party. They even rolled a piano into South Quad Dormitory to play at a special Christmas dinner. The strategy has paid off. All in all, they have sold over 500 albums on campus. (The CD sells for \$15.95 and the audiotape for \$10.95.)

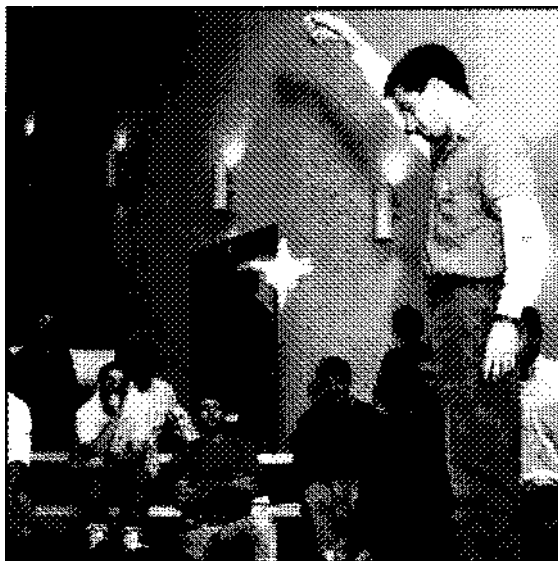
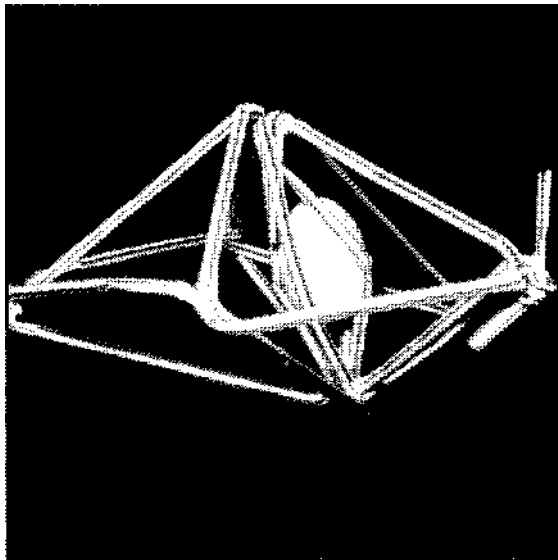
Since then, they have taken their product to a national audience by achieving radio play in over 50 markets across the country and gaining distribution in a national catalogue. They have also set up their own direct mail business, and gained exposure by being reviewed favorably in two national magazines for contemporary, jazz piano solo music including *Heartsong Review* and *NAPRA*.

"It was at the Michigan MBA program that I began to focus on how to distribute," says Dixon, "and where I learned real life strategies about what to do and what not to do, instead of just shooting from the hip." Eric adds, "I guess all things are possible in business as long as you have the right plan and a little luck."

(Doll Productions may be reached at 2975 Hickory Lane, Ann Arbor, Mich. 48104.)



EGG DROP



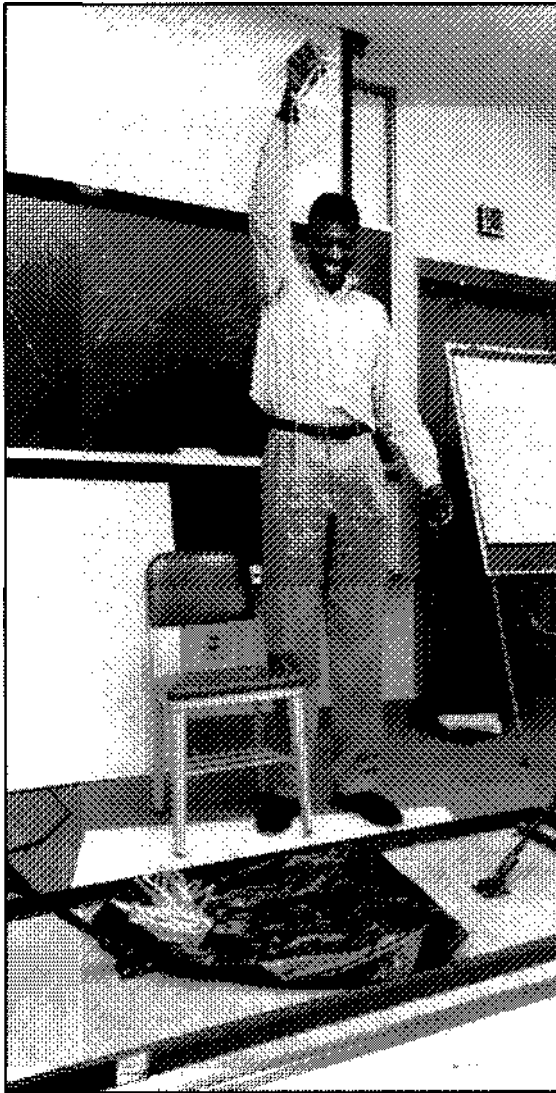
Photos by Gregory Fox

Assignment:

Take these straws and, working in teams, devise a holder for an egg that will allow the egg to be dropped from a height without breaking.

This was one of the lively tasks handed out in the one-day Executive Skills Workshop held in October on teamwork. Entitled "From Visionary to Strategist — Defining Your Team Role," the workshop was one of seven offered this year on a voluntary basis to MBA students who want to increase their executive skills. Topics of the other workshops included: Effective Executive Communication; Principle-Centered Leadership; Managing Diversity; Creativity; Managing Power and Influence; and Managing Multiple Priorities.

Participants were asked to come to the



workshop with an evaluation of teams in which they have been involved, and then participated in short-cycle, real-time, team problem-solving exercises, one of which was Egg Drop. The workshop aimed to give participants the tools to increase overall team effectiveness within an organization.

These workshops have been developed to bring some of the best components of our top-ranked Executive Education program to the MBA program. They were initiated last year as part of the new MBA curriculum, and are taught by Business School faculty, as well as by outside consultants. They are intended to give participants the opportunity to practice and consider the elements of successful management.

The workshop on teams was a serious subject, as you can see by the pictures here, but the Egg Drop exercise also created much enjoyment and even hilarity.

THE DIMENSIONS OF mentoring

First Annual Spring Forum Covers a Wide Range of Topics of Interest to Women in Business

Alumnae and members of the Michigan Business Women student club met to discuss issues of importance to women in business at a spring forum sponsored by the Office of Alumni Relations and the Michigan Business Women Student Club. Some of the guests were participants in a new program sponsored by the Michigan Business Women, in which alumnae are matched with Business School students in a mentoring relationship.

The day began with a luncheon at which groups discussed what they might do if faced with various hypothetical situations dealing with office politics.

After lunch, everyone moved to Hale Auditorium for a panel discussion on the dimensions of mentoring which featured three Business School alumnae — Gail Lutey, MBA '80; Diana Mercer-Pryor, BBA '72; and Julie Rosen, MBA '86; as well as Carol Hollenshead, Director of the U-M Center for the Education of Women. The panel was moderated by Associate Dean Janet Weiss, professor of organizational behavior and public policy.

Lutey, Mercer-Pryor and Rosen are all employed in southeastern Michigan and all three work in areas still inhabited largely by men: computer services and auto manufacturing. Lutey is director of human

resources for Complete Business Solutions, Inc., an international software services and systems integrator headquartered in Farmington Hills. Mercer-Pryor is general purchasing agent for chemicals, computers, merchandising and supplies for Chrysler Corporation. Rosen is program management supervisor of full-size diesel programs in truck operations at the Ford Motor Company.

All of the women, in examining their personal career histories, agreed that mentors had been important to them. But the look and feel of their various mentoring experiences differed widely. Sometimes, they said, the mentor was a superior, sometimes a peer or group of peers.

Gail Lutey, who worked for Unisys and the General Motors Corporation before moving to her present employer, was one of those for whom an early boss had served a valuable mentor. Diana Mercer-Pryor's earliest mentoring experience, by contrast, involved peers rather than a superior. "I was part of a group of women who were all hired at the same time at Chrysler," she said. She described how the women, through their camaraderie and willingness to share experiences and observations with one another, were able to function as a mentoring team,

learning the corporate culture together.

In her 21-year career at Chrysler, Mercer-Pryor said she had found that her need for a mentor did not remain static, that both the need for support and the person who could provide the guidance appropriate to the moment changed over time. She had found mentors most useful, she said, for "talking to you about the culture of the organization in your early days and later, lending you support in developing your career path."

Julie Rosen, who worked for two Michigan construction firms before joining the Ford Motor Company in 1986, said that she had come to think of mentoring as a kind of team-building. Seeking guidance from others, she said, was a way of "leveraging resources, of utilizing the individual strengths of different people and of yourself."

As the participants described their individual experiences with mentors it became clear that the majority of their relationships had been informal rather than formal. But they all agreed that approaching a person and asking him or her to be a mentor was a perfectly acceptable step to take, and that such initiative was sometimes essential. In order to do so, however, they said, it was important to be clear about the kind



Members of the panel that discussed "Dimensions of Mentoring" are pictured. Left to right, they are: Gail Lutey, MBA '80, director, human resources, Complete Business Solutions, Inc.; Diana Mercer-Pryor, BBA '72, general purchasing agent for Chrysler; Carol Hollenshead, director of the U-M Center for the Education of Women; Julie Rosen, MBA '86, project management supervisor for Ford Motor Company; and Janet Weiss, associate dean of the Business School.

of guidance you wanted and about your needs and expectations for the relationship.

Carol Hollenshead cautioned her audience against the tendency to idealize the mentor relationship, to view the mentor as a "God-like creature who will reach down and bring you up through the organization." It was important, she said, "not to be naive" about what a mentor represents, and to remember that the mentor may have his or her own agenda, that the mentor may take another job and leave or that the relationship may in some other way turn out to be less than satisfying. It was also important to remember, she said, that the most useful mentor might turn out to be a peer rather than a superior, and that peers could "sometimes be in the position to open a door for you, and most important, to be honest."

Professor Weiss, after hearing all the panelists talk, said that the ways in which the women's experiences with mentoring seemed to blend with their personal experiences made her realize a friendship that she had never considered to be a mentoring relationship was in fact exactly that. Weiss, who has three young children, said that an assistant professor who was "one step ahead of her" had helped her learn how to "blend her life and her career" and

had provided the very type of wise guidance, based on experience, that the panelists described as mentoring.

In the question and answer session which followed the panel, a student asked the panelists to enumerate some of the "negatives" of the mentoring relationship, and wondered if having a mentoring relationship might not cause one to be viewed by one's peers in the organization as receiving favoritism.

Mercer-Pryor said that she thought that favoritism was an unlikely charge, since "most people have an equal opportunity to foster these relationships." Hollenshead said a negative might be "a mentor who wants you to remain in a child-like position" and Professor Weiss added, "or a mentor who wants you to become exactly who he or she is when you don't want to emulate the person to that extent."

All of the panelists agreed that, after reviewing their own experiences, it was clear that mentoring relationships could vary⁷ greatly depending on personality, corporate culture, the stage of one's career, availability of mentors and other factors. But most important to keep in mind, they said, was the concept itself; to remember that other people can often serve as valuable resources in your professional life and that as you gain experience and achieve

wisdom yourself you can sometimes serve as a valuable resource to someone else.

After the panel, attendees were offered four different break-out sessions: Work and Family; Non-Linear Career Paths; Managing Power and Influence; and Discrimination and Harassment. Gerri Larkin, manager for emerging businesses at Deloitte and Touche, who spoke on non-linear career paths, gave a compelling presentation that captured the audience's rapt attention. One student commented that the presentation allowed her to gain valuable insight into alternatives to corporate careers.

Several men who attended the events of the day said that they felt they needed to be aware of the issues if they ever planned on being part of a dual-career household.

"Mentoring is truly a timely subject," said Alice Greko, MBA '76. "We at a GM manufacturing plant are trying to get a mentoring project going. It helped to hear so many perspectives and reactions." She herself is serving as a mentor to a Michigan Business student through the program being sponsored by the Michigan

Business Women's club.

Another alumna-mentor, Trina Fentriss, MBA '83, said it was important for each person to take it upon him or herself to be accessible to act in a mentoring capacity. "We will all be better off if we help each other through difficult situations and support each other as we make it up the ranks."

(Dividend thanks Vera Zlidenny of the *Monroe Street Journal* for substantial contributions to this article.)



Luanne Athey, MBA '86, contract programmer with Herman Miller, and her mentee, first-year MBA student Karen Reu dinger.

Gregory Fox



Alumnae who are part of the new mentor program and who attended the Spring Forum are (left to right) standing, Kay Roth, MBA '78, CPA with Zalenko and Associates, and Sherry Sandoval, MBA '85, Sales Support Manager for MCI. Seated, left to right, are Karen Mishra, MBA '88, research associate at U ofM and Susan Smith, MBA '82, Vice President, Comerica.

They are participating in a new program sponsored by the Michigan Business Women's Club which matches business students with women alumnae who are willing to serve as mentors.



Karen Packard, MBA '84, vice president, planning and marketing for the University Hospital Consortium headquartered in Oakbrook Terrace, Illinois (right), and her mentee, first-year MBA student Suzanne Baker.



Lee Gorman (right), BBA '79, MBA '83, supervisor of Light Trucks Cycle Planning at Ford, and her mentee, first-year MBA student Gail Van Cleave.

Good News for Business Reporting

Michael Brennan describes himself a "blue collar boy" who worked his way through college by holding various factory jobs. "I feel an obligation to those who are still in the factory," he says. "I want to see them keep their jobs. That's why I'm so interested in manufacturing and American competitiveness." This year he has been able to focus on that subject as the Knight Fellow in Business/Economics, a specialized fellowship within the Michigan Journalism Fellows Program.

Specialized fellowships in business and medicine were established and supported by a \$500,000 grant from the Knight Foundation in 1987. A new grant in 1992 from the Knight Foundation for \$875,000 completes the endowments and establishes a new specialized fellowship in law.

Before arriving at the Business School last fall, Brennan covered the business beat for *The Herald*, a Washington Post Co. daily newspaper in Everett, Washington. A major aspect of his work there involved reporting on the Boeing Company — including everything from a 48-day strike by the machinist's union, to producing a 26-page special section on the company's 75th anniversary. Before his stint on *The Herald*, he was business reporter for the *Commercial Appeal* in Memphis, Tennessee, where he wrote about transportation, energy, retail trade, telecommunications, technology, and labor.

Brennan began his fellowship at the Business School by scheduling appointments with key professors and asking them for reading lists. He followed that up by taking a core accounting class ("I needed to learn how to look at a balance sheet");

Knight Journalism Fellowship in Business/Economics Allows Mid-Career Professionals to Broaden Their Knowledge

a class in Japanese business and management; and one in investments ("to learn the lingo of security analysts"). He added to these a class in operations technology management; one in economic analysis of industrial policy; and one in international human resource management.

"Before I came here, I thought I knew a lot about manufacturing and quite a bit about the world economy," he says, "but this year has allowed me to broaden and deepen my knowledge of business. When you are covering a beat you become microfocused — with no time to pull back and get the 'big picture.' But here I've been able to get a better feel for various trends and approaches." (His research project for the year explores industrial policy and manufacturing trends.)

"The world of business has long needed journalists who can report its complex activities with sensitivity and intelligence," commented Business School Dean B. Joseph White. "The Knight Journalism Fellowship in Business is a valuable contribution to that goal."

The Michigan Journalism Fellows Program brings mid-career reporters, editors, and broadcasters to the U-M campus for eight months to study just about anything they want, attend twice-weekly seminars, and absorb all they can from each other. The goal is to improve the quality of information reaching the public by making it possible for 12 of the nation's most promising journalists

to spend a year in study. Of the 12 fellowships awarded each year, three have focused on business/economics; medicine/health science; and investigative reporting (which was established with a gift from CBS news correspondent Mike Wallace, after whom it is named.)

"The Knight specialty reporting fellowships have made a huge contribution to our business and medical programs," said Prof. Charles R. Eisendrath, director of the Journalism Fellows Program. "They have broadened the range of discourse among the fellows. We expect to derive equal gains from the new position in law."

Because of his long history of covering Boeing, Brennan was influential in arranging a visit to the Business School by Philip Condit, CEO of Boeing, who has known Brennan for several years in his capacity as Boeing reporter. During his visit here, Condit met with members of the Business School and engineering faculty as well as with the entire group of Michigan Journalism Fellows. He also spoke informally with business and engineering students, and gave a short address to the sixth annual Quality Conference, sponsored by the Business School and the Manufacturing Forum (a group of companies that have joined with the Michigan Business School to foster quality applied research in manufacturing management).

Previous Knight Fellows who have made their headquarters at the Business School include business writers and reporters from the *Detroit Free Press*, the *Washington Post*, *Investor's Business Daily*, and the *Asian Wall Street Journal*.

Davidson Institute Launches New Partnership Program

This summer, the Davidson Institute is embarking on the path toward achieving its goal of helping managers in transitional economies acquire the skills necessary to move their companies from command to market economy practices. Eight Institute internship teams have joined efforts with eight Enterprise Partners and four Western Partners in the inaugural year of the Partnership Program.

Two of the eight Enterprise Partners are located in China, three in Poland, and one each in Hungary, Russia, and the Czech Republic. Seven are manufacturing firms whose product lines include small airplanes, diesel engines, truck and auto parts, telecommunications cables, and boilers for electrical generation. The eighth is the Ministry of Telecommunication in Poland.

Each of the Enterprise Partners has a team of internship fellows assigned to it this summer. They will work at the company sites from May 20 through July 20 to share their knowledge of basic business skills

with all employees of the Enterprise Partner and to do an operational analysis and develop a report. Each team consists of two MBA students and one Area Studies student with cultural and language expertise. In some cases, the team will be joined in-country by a student from a local university.

The internship program marks the first phase in the partnership cycle, and will be followed by an instructional phase, during which managers from the Enterprise Partners' companies will take part in an intensive executive development program conducted at the Business School from July 24 through August 15. The managers will be accompanied by their internship fellows, who will help them become acclimated to the Ann Arbor campus. The program will include components on finance, marketing, and executive skills development, and will emphasize cost containment, managing business relationships, and improving quality. The operational analysis developed on some aspect of each Enterprise Partner's business will also be used during the instructional program.

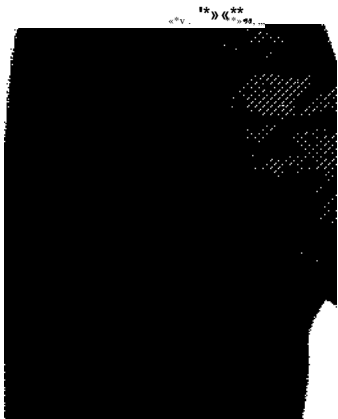
At the same time, the Davidson Institute is involving four Western

Partners in its programs, three of whom have a business relationship with one of the Enterprise Partners. The Western Partners include AT&T, Ahlstrom Pyropower, Allied-Signal, and Cummins Engine. AT&T and Allied-Signal has recently initiated a major joint venture relationship in Russia.

Each Enterprise Partner will be involved with the Davidson Institute for at least three years, which will allow the Institute time to assess the program's impact, to collect data to support its research on transitional economies, and offer the executive development program to a significant number of the firm's managers.

In early April, senior managers from the Enterprise Partners visited the Business School for a series of meetings designed to establish relationships with the internship teams, provide a general orientation to the internship and instructional programs, and discuss the focus of the operations analysis the internship teams will do on-site this summer.

William Davidson (left), founder of the Davidson Institute, greets Premysl Parak, managing director of Ahlstrom, Enterprise Partner in the Czech Republic. Parak was here in April for a series of meetings sponsored by the Davidson Institute. The meetings not only established strong relationships between the Enterprise Partners and their internship teams, but also provided a general orientation to the Davidson Institute's internship and executive development programs.



A

MONG OURSELVES

Prof. George Siedel Becomes Associate Dean



Professor George Siedel is pictured in his office at Executive Education. As of July 1, he is Associate Dean responsible for Executive Education and the Business and Industrial Assistance Division (BIAD).

Professor George Siedel, professor of business law and the Arthur F. Thurnau Professor of Business Administration, has been appointed Associate Dean for Executive Education and the Business and

Industrial Assistance Division (BIAD), effective July 1.

In making the appointment, Dean B. Joseph White said, "Professor Siedel is one of our most accomplished and highly

respected faculty colleagues. The combination of his research record, teaching achievements in the degree programs and Executive Education, and service contributions to the School set a very high standard." Among other things, Professor Siedel has served as Director of the Minority Summer Institute, co-director (with Professor George Cameron) of the Senior Seminar for undergraduates, and chair of the Search Committee for the permanent director of the Davidson Institute.

Professor Siedel replaces Tom Kinnear, who after six years as Senior Associate Dean, has asked

to return to his duties as chair of the marketing department and as the D. Maynard Phelps Collegiate Professor of Business Administration.

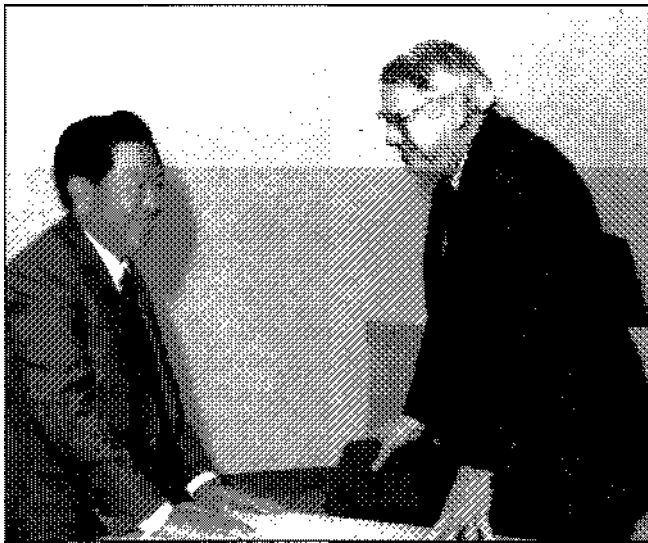
During Kinnear's Deanship, Executive Education became the School's largest single program, and a major source of innovation and outreach to the business community. "On behalf of the entire School, I thank Tom Kinnear for his extraordinary leadership as Senior Associate Dean," said Dean White. "We are fortunate to be able to count on his continued leadership and contributions in his area chair and faculty roles."

Amnuay Viravan, MBA '54, Ph.D. '59, Gives McNally Lecture

The urgent question of the age is whether we can make change our friend rather than our enemy, said Dr. Amnuay Viravan, MBA '54, Ph.D. '59, Deputy Prime Minister of Thailand, when he delivered the 26th annual William K. McNally Memorial Lecture in February at Hale Auditorium. He addressed the various political and economic issues which

face relations between the U.S. and Asia.

Key issues facing the new administration in Asia were addressed by the Deputy Prime Minister. He cautioned against using trade and economic pressure to advance human rights concerns in the People's Republic of China, and said that the U.S. should be making special efforts to capture markets in



Amnuay Viravan, MBA '54, Ph.D. '59, Deputy Prime Minister of Thailand, is pictured (left) with Gilbert R. Whitaker, Jr., former Dean of the Business School and now U-M Provost.

East and Southeast Asia.

Dr. Viravan spoke of the political fragility of Laos, Cambodia and Vietnam and urged strong economic support for the region and the establishment of full diplomatic ties with the Hanoi government to help move these countries toward political and economic stability.

Dr. Viravan joined the coalition government of Thailand as deputy prime minister in 1992. Concurrently, he chairs the National Economic and Social Development Board which is the top economic planning agency of Thailand.

For most of his career, Dr. Viravan worked in the public sector. From 1968 to 1981, he served as secretary general of

the Board of Investment; director general of the Customs Department, permanent Secretary of Finance, and Minister of Finance.

From 1981 to 1992, he left the government for a business career as chairman and CEO of Saha-Union Group of companies, one of the largest industrial conglomerates in the country, and as chairman and CEO of Bangkok Bank Ltd., the largest commercial bank in ASEAN.

He is a governor of the Asian Institute of Management in Manila and a governor of the East-West Center in Hawaii. He also chairs the Institute for Management Education for the Thailand Foundation. He holds the BA degree from Chulalongkorn University in Bangkok, and an MBA, MA degree in economics and Ph.D. in business administration from the University of Michigan. His wife, Samonshi (Bunnag) Viravan, also received her MBA from the University of Michigan in 1957. She is managing director of Samvest Co. Ltd. in Bangkok.



Dr. Viravan's wife, Samonshi (Bunnag) Viravan, MBA '57, accompanied him to Michigan. She is managing director of Samvest Co. Ltd. in Bangkok.

Prof. Slemrod and the Staggering Costs of Tax Compliance

Loel Slemrod, director of the Office of Tax Policy Research at the Business School, is a busy man these days. In March he served as a faculty expert at the annual retreat of the House Ways and Means Committee; he has a new book out entitled "Why People Pay Taxes;" and a new study by him on tax compliance costs is soon to be published.

The retreat examined the current tax situation, options for the future, how taxes affect international competitiveness, corporate tax reform, and the possibility⁷ of a consumption tax.

Slemrod, who is the Jack D. Sparks-Whirlpool Corporation professor of business administration and public policy, is one of the nation's leading experts on taxation.

A soon-to-be-published study by Slemrod was written up in the April 19, 1993 issue of *Business Week*. To quote *Business Week*, the study "suggests that, on average, big U.S. companies spend nearly \$1.5 million a year on

corporate income tax compliance. Add excise, payroll, and other taxes, and the total tab for business could approach \$100 billion, according to economists familiar with Slemrod's data. That's 20 times what the nation's businesses spent last year for computer software. Meanwhile, individuals spend \$5 billion a year for professional tax assistance and an additional \$30 billion of their own time to wade through their 1040s, Slemrod found in an earlier study."

"Why People Pay Taxes," a book on tax compliance and enforcement, has been edited by Slemrod and recently published by the U-M Press.

The book delves into the determinants of tax compliance and discusses strategies to curtail tax evasion. It is based on a conference sponsored by the Office of Tax Policy Research, and assembles twelve articles by international experts from the fields of accounting, economics, law, psychology and sociology.

The articles draw on diary⁷ studies of taxpayer behavior, statistical analyses of data from audited tax returns, survey responses, tax amnesties, and laboratory simulation experiments to analyze taxpaying behavior.

Included in the book are a pioneering study of noncompliance among small and medium-sized corporations, an examination of the effect of audits on taxpayers' subsequent compliance behavior, and a study of the effect on compliance of taxpayers' attitudes toward the tax system and their perception of other taxpayers' behavior.

The BBA — Don't Leave Michigan Without It!

The first BBA Week began this year, complete with pizza, specially designed BBA T-shirts and an MBiY/BBA Forum, nicknamed "Chat and Chow."

The BBA Program, which is consistently ranked as one of the top undergraduate business programs in the U.S., annually admits about 280 students for the final two years of their undergraduate education.

The goals of the BBA Week, which were developed by the BBA committee of the Student Government, were to recognize BBAs, build identity and camaraderie within the program, and to increase the awareness

of the BBA program within the Business School community.

The MBA/BBA Forum, which was one of the Week's events, gave students the opportunity to talk to MBA students about their work experiences at companies such

as American Express, Dupont, Deloitte and Touche, Procter and Gamble, and Merrill Lynch. BBA graduates are traditionally recruited by top companies who are attracted by their impressive undergraduate business training.



BBA students pose with their BBA T-shirts during the first BBA Week held at the School. Standing are (reading from the front) Jessica Martin, Eleni Kotsogiannis, Peter Kang and Brian Haboush. Seated (reading from the front) are Sarah Endline, David Hobbs, Jennifer Dragon, Jonathan Kadin and Howard Felson.

Klemstine Chosen Teacher of the Year



99*

Charles Klemstine, winner of the 1992-93 Student Award for Teaching Excellence, meets with a student.

"He has the teaching skill to take a dry subject and show how it is important, interesting, and applicable to YOU," wrote one student in nominating Accounting Lecturer Charles Klemstine for the 1992-93 Student Award for Teaching Excellence.

Klemstine has taught managerial accounting and MAP core courses as well as advanced management accounting. He wants students to view management accounting as a strategic tool for other disciplines, and says one of his greatest satisfactions comes when students stop by to share situations where they used applications of his class in projects, internships and interviews. "Students need to see how the class material affects them in

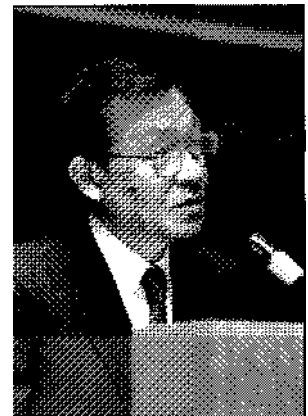
performing their job," he says. "I feel I have been successful when students can show the underlying economics of a managerial action with accounting measures."

When you talk to Klemstine, you can imagine from his buoyant enthusiasm what an inspiring teacher he would be. He is excited about the trend toward more interdisciplinary teaching and interactive classes such as MAP, the multidisciplinary action project that involves students in the analysis of a business process in a real company with the guidance of an interdisciplinary faculty team. By knowing students' background and experiences, Klemstine aims to engage their participation where appropriate

and use cases and examples that invite students to bring up things that they have learned through other classes.

Klemstine holds a BS degree in management from Pennsylvania State University, an MS in accounting from the University of Virginia, and a Ph.D. in business administration from the U-M. His interests include auditing, management accounting, quantitative methods and systems.

Other winners of the Student Award for Teaching Excellence have included: George Cameron, professor of business law; C. K. Prahalad, professor of corporate strategy; W. A. Spivey, professor of statistics; Brian Talbot, associate professor of operations management; D. W. Wright, assistant professor of accounting; E. B. Imhoff, professor of accounting; D. G. Severance, professor of computing and information systems; A. G. Karnani, associate professor of corporate strategy; and M. P. Narayanan, associate professor of finance.



Ken-ichi Suematsu, president of the second largest bank in the world, spoke at the 1993 Mitsui Life Distinguished Lecture Series.

Sakura President Speaks at Mitsui Lecture Series

"Bank Management Strategies under Financial Deregulation in Japan" was the topic discussed by Ken-ichi Suematsu, president of Sakura Bank, at the 1993 Distinguished Guest Lecture Series hosted by the Mitsui Life Financial Research Center.

In his speech, Suematsu addressed the challenges faced by major Japanese banks as they simultaneously deal with a new era of financial deregulation and increased competition at home while adapting to increasingly stringent international regulator standards.

A proposed strategic response to these conflicting pressures reflects the insights and experience gained from a 35-year career in the Japanese banking industry, in which Suematsu witnessed both the post-war economic miracle and today's era of slow growth and declining values for real estate and common stocks. Suematsu, previously the president of the Mitsui Bank, culminates an already distinguished career as president of the Sakura Bank, which became the world's second largest banking institution following the merger of the Mitsui Bank and the Taiyo Kobe Bank in 1990.

In his speech, Suematsu first described the operating environment and the problems confronting Japanese banking institutions. He then went on to discuss how the banks are responding to the challenges they face, and ended his talk with a discussion of what impact the events and developments of the past few years will have on Japan's financial markets in the medium-to-long term.

Throughout his talk, he highlighted, wherever possible, the similarities and differences between the financial systems and

markets of the U.S. and Japan.

The Mitsui Life Financial Research Center was established in 1990 with a gift of \$3 million from the Mitsui Mutual Life Insurance Company. The Center aims to arrive at a better understanding of Asian and global financial markets, as well as to examine how events in Asia affect the American economy and financial markets and vice-versa.

The Center sponsors the Distinguished Lecture Series and a

Scholar Visits Us From China

Dong Lai Li, associate professor of international law at the China University of Political Science and Law at Beijing, spent the last year here doing research on international business and China-U.S. intercultural communication.

While here, she worked with George Cameron and George Siedel, professors of Business Law, and Herbert Hildebrandt, professor of business administration and communication. She also worked with the Davidson Institute on foreign economic contract law.

In China, she has worked as the director of the Lawyer Training Program at the Ministry

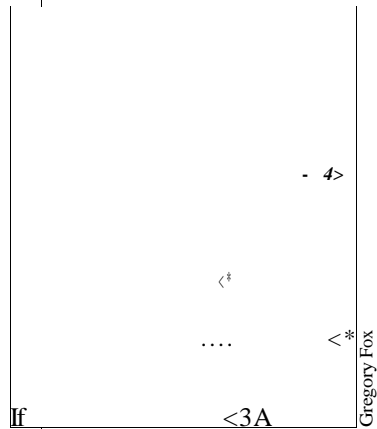
of Justice, where she taught international economic law and legal writing in English, and as a lecturer teaching medical English at Hunan Medical University in Changsha.

Black Business Students Hold 17th Annual Conference

The 17th Annual Alumni/Business Conference sponsored by the Black Business Students Association took place in March in Ann Arbor. Theme of the conference was "Reclaiming Our Purpose," which, according to co-chairpersons Lisa Andujar and Karynne Turner, expressed the need to refocus attention on the issues facing the African American community.

The event began with a talent show in Hale Auditorium featuring U-M students, and the following day (Saturday) moved to the Sheraton Inn. There, participants were able to attend workshops and panel discussions which ranged from subjects including professional activism, to managing relationships, to a new era for entrepreneurs. Each panel featured three successful African Americans who spoke on the topic and discussed their own experiences.

Keynote speaker for the luncheon was Terrie Williams, president and founder of the Terrie Williams Agency which



Chinese Visiting Scholar Dong Lai Li is pictured in her Business School Office.

specializes in publicity, media relations and events planning.

At the evening's banquet, Ellen M. White, MBA '86, was recognized as BBSA's honored alumna of the year. She is the division sales manager for Progressive Insurance's Northeast Division. Keynote speaker at the banquet was Percy E. Sutton, founder and chairman emeritus of Inner City Broadcasting Corporation, a closely-held radio, television, cable television, communication, and entertainment company.

One of the chief purposes of the Conference is to raise money for the BBSA Alumni Scholarship and the Alfred Edwards Scholarship. This year the recipients of the BBSA Alumni Scholarship, each of whom will receive \$500, are Kimberly Gowie, first-year BBA student; and first year MBA students Cathy Coleman, Sean Hudson and Juliet Humphries. Recipients of the Alfred Edwards Scholarship, each of whom will receive \$1,000, are Onda Berger, first-year BBA student; and MBA students Kennon Broadhurst and Ernest Letlow.

The Conference ended on Sunday with the first annual alumni brunch, which allowed BBSA members, present and former, to get together and renew old ties.

Consumers Power Gives \$100,000 for Teaching Modules

A commitment of \$100,000 has been made to the University of Michigan by the Consumers Power Company. The money is to be used for the development of teaching modules in the new Corporate Environmental Management Program, and for the development of an industry/University workshop addressing key environmental issues.

Announcement of the grant was made by David Hoffman, vice president of nuclear operations at Consumers Power.

The Corporate Environmental Management Program is a new joint venture between the Michigan Business School and the School of Natural Resources and Environment. The program will look at ways to support innovative programs addressing the issues of corporate environmental policy, and work on the interdisciplinary issues involved in solving environmental problems. It also aims to enable business students to become better informed about environmental issues, and

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The Consumers Power gift of \$100,000 to the Corporate Environmental Management Program was announced by David Hoffman, vice president of nuclear operations at the company. Pictured, left to right, are Garry Brewer, dean of the School of Natural Resources and Environment; Paul Hittle, manager of environmental and technical services at Consumers Power; Hoffman; and B. Joseph White, dean of the Michigan Business School. The new Corporate Environmental Management Program is a joint venture between the Business School and the School of Natural Resources and Environment.

natural resources students to achieve greater understanding of the business world.

Consumers Power has been among the leaders in the utility industry for developing employee-based environmental enhancement projects at its electric generating plant sites and along its electric and natural gas lines rights-of-way.

The utility has received recognition from the U.S. Wildlife Habitat Enhancement Council, the Michigan Audubon

Society, the Michigan Wildlife Habitat Foundation and the Michigan Department of Natural Resources for its environmental activities. The company recently received a statewide environmental award from the Michigan Chamber of Commerce for the groundbreaking hydro relicensing agreement the utility reached with state and federal regulators and environmental groups.

Two Dynamic New Symposia Presented This Spring

Doing Business in Latin America

Dimensions of doing business in Latin America were discussed by four experts from diverse fields at the first annual Latin American Business forum, presented by the Hispanic Business Students Association and the International Business Club.

At the panel discussion, Dr. Pat Vander Voord, the NAFTA Desk Officer at the Michigan Department of International Commerce, touched on cultural issues, the impact of President Salinas de Cortari on Mexico's economy, and NAFTA. Christopher J. Callahan, international trade lawyer, then delineated the NAFTA agreement, explaining that NAFTA is "only a trade enhancer. Whether or not ratified, trade with Mexico is exploding. Like a locomotive, once it gets going you can't stop it."

Dr. Allen V. Deardorff, professor of economics and public policy at the U-M, presented his study for the government on the effects of NAFTA on U.S. and Mexican labor markets. Nassry Zamora, diversity coordinator for the Exxon Corporation,

spoke on understanding the culture gap, and described how understanding the culture is one of the keys to success in business overseas.

The conference made it possible for participants not only to learn more about doing business in Latin America, but also to network with professionals already doing business there.

Southeast Asia Booms with Opportunity

The first Southeast Asia Business Symposium was held this spring at the Business School. Organized by the Asia Group of the International Business Club, the conference brought top managers to the School to discuss opportunities in Southeast Asia for global business.

The four guest speakers, all top managers in their respective companies, represented a good balance of disciplines and expertise. Michael Binder, president of Dole Packaged Foods Asia, spoke from years of experience of living and doing business in Asia. He described Dole's operating strategy in the region, and discussed Dole's experience with joint ventures. The next speaker was Donald Schreiber, vice president

of GE Aircraft Engines, who spoke about setting up joint ventures in Asia from the point of view of a highly technical industry.

The third speaker was Sam Riskin, global sales manager for Federal Express, who charted the history of his company and described how it has become a truly global services company only

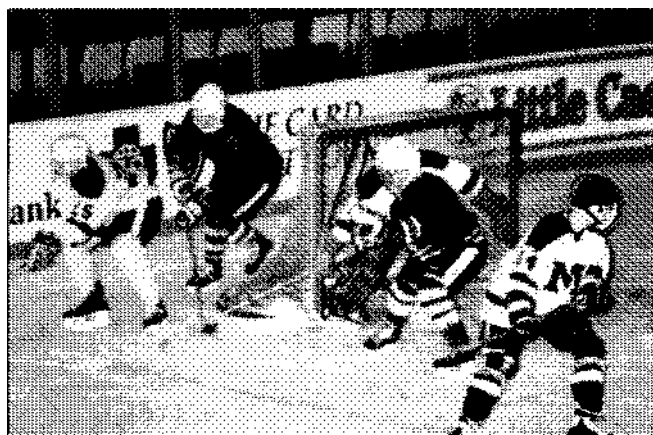
four years after expanding into the international arena. The fourth speaker was Chulatip Nitibhon, senior vice president and U.S. area manager of Siam Commercial Bank. He exemplified the fast-growing elite breed of Asian managers trained in Western institutions and with the ability to manage across cultures.

Alumni vs. Students in Dynamic Hockey Game

Alumni and students waged a see-saw battle over hockey bragging rights in January at Joe Louis arena. The contest ended after 5 minutes of overtime with a strong student rush followed by the alumni goal. Despite an end-to-end game, the

16 alumni, one faculty member and one administrator managed to skate with and beyond 18 students and another faculty member. Following the game, the teams enjoyed dinner together and the subsequent

Continued on page 32



David Brophy, associate professor of finance, chases Tom Dolan, MBA '94 (#25) and the puck as Evan Wayne, MBA '89 and goalie Jim Keough, BBA '68, turn to cut off Tom and any pass to Craig Hernandez, MBA '94 (#14).

New Joint Initiative Links Business and Manufacturing

Since 80% of American manufacturing happens within a 500-mile radius of Ann Arbor, it's particularly appropriate that this is the site for a dynamic new cooperative venture that aims to fill industry's need for individuals versed in the principles of both business and engineering.

Dubbed the Michigan Joint Manufacturing Initiative (MJMI), the program is a joint venture between the Michigan Business School and the College of Engineering. It aims to educate tomorrow's manufacturing leaders; sendee the needs of the state, regional and national economy; and develop a

body of knowledge for manufacturers of the future.

Support for the new program has already been pledged by the General Motors Foundation, which has given \$500,000 to support a faculty fellow and to recruit and retain minority and female students in the program. A \$300,000 gift in memory of Don T. McKone, BBA '47, will help support MJMI students.

In addition, the manufacturing division of Merck & Co., Inc., the New Jersey-based manufacturer of pharmaceutical products, has made a \$200,000 commitment to the MJMI program, half of which will support program development and the other half of which will support minority fellowships.

Dynamic Hockey Game, continued from page 31

Michigan romp over the MSU Spartans.

The alumni-student game was one of a series of Michigan Hockey Club activities this year, which included a third place finish in the annual Dartmouth Business School tournament (behind Harvard and Dartmouth, while ahead of seven other top-tier schools), semi-final rounds in the U intramural league, and end of year golf outing. The club

will expand its activities this coming year, and the next alumni-student game is planned for the weekend of the Michigan-MSU game. Hockey-playing or other interested alumni should get in touch with Steve Karasick, MBA '94, at (313)-761-5370 or James Bodurtha, assistant professor of finance, at (313) 764-6138 to find out more about the club's activities.



John O. Grettenberger (center), Cadillac general manager and General Motors vice president, talks with Business School Dean B. Joseph White (left) and U-M President James J. Duderstadt. The General Motors Foundation has announced a \$500,000 gift to the School of Business Administration which will go to support a faculty fellow and to recruit and retain minority and female students in the new Michigan Joint Manufacturing Initiative (MJMI), a collaborative venture of the College of Engineering and the Michigan Business School.

Bernard J. Kelley, Merck senior vice president of administration, planning and quality, is a member of the MJMI Program Development Advisory Board.

This summer, the program will sponsor up to 20 internships in which students will get hands-on experience working in teams on a cross-disciplinary manufacturing problem. The projects have been proposed by manufacturing companies, and include such questions as — how to rationalize an industrial purchasing system; how to increase productivity by improving a manufacturing facility layout and by

redesigning the material flow system; and how to match forecasting and production with manufacturing capabilities.

In Fall '93, all four MJMI degree programs will be offered for the first time. Students can enroll in the MBA program with a concentration in manufacturing; the MBA program with a concentration in manufacturing and an MS in engineering; a 12-month master's of engineering program in manufacturing engineering with a heavy dose of management-focused courses; or a five-year honors program leading to a BA and ME in engineering.

Michigan Rises to Top Five Ranking

Rankings in both *Business Week* and *U.S. News and World Report* have found that the Michigan Business School is the number five business school in the nation. Previous rankings by both magazines have placed Michigan in the number seven spot.

The four top business schools were the same, according to both magazine rankings, although they were in different order. According to *Business Week*, the top five schools, in order, are Kellogg, Chicago, Harvard, Wharton, and Michigan. *U.S. News and World Report* ranks the top five as Harvard, Stanford, Wharton, Kellogg, and Michigan.

The two magazines use different methodologies to arrive at their rankings.

Business Week, which ranks schools every two years, adopts a consumer's approach. This year, they sent surveys to 6,046 of this year's graduates of 36 prominent business schools and to 352 companies that actively recruit MBAs at the top schools. A total of 4,712

graduates and 199 companies responded. The graduates, who judged only their own schools, were asked for their views on such issues as teaching quality, program content, and career placement. In the corporate survey, recruiters were asked to rate student skills and to rank B-schools based on their overall quality and the success rate of a school's graduates in their organizations. Both polls were then combined to obtain the final ranking.

U.S. News and World Report, which ranks schools annually, uses five categories to determine its rankings: student selectivity (25 percent of the score), placement success (30 percent), graduation rate (5 percent), and two reputational surveys, each accounting for 20 percent. Student selectivity is based on average GMAT scores, undergraduate grade point average, and percentage of applicants accepted. Placement success is based on the percentage of MBA students employed at graduation and three months after graduation, their median starting salaries, and the ratio of on-campus MBA recruiters to the number of 1992 graduates. Graduation rate represents the percentage of students in 1991 and

1992 who earned the MBA within two years. Reputation is determined by surveys of business school deans and MBA program directors and of chief

executive officers.

Overall rank is determined by converting into percentiles the score achieved by each school in the above categories.

Student Pledge Campaign Raises Over \$100,000



"Participate with Pride" was the theme of this year's Student Pledge campaign which resulted in pledges of over \$100,000 from the Business School's newest alumni. Pictured here (left to right, standing) are MBA students Beth Riley and Mark Driscoll, and Bill Martin, MBA '65, local real estate entrepreneur who talked at the student pledge campaign kickoff about what the Business School has meant to him, and why it's important to him as an alumnus that current students are giving to the School. Standing to the right of Martin are Ed Montana and Brian Pastrojff, both graduating BBA students. Seated, left to right, are graduating MBA students Kay Boyd and Janet Sarkos. All the students pictured served as co-chairs of the Class of 1993 Student Pledge Campaign, which has as a goal to encourage current students to participate in Business School fund raising.

Class Notes

David K. Eiteman **BBA '52**

has been elected president of the Society on Economics & Management in China at the allied social sciences meetings in Anaheim, Calif, in January. Eiteman, professor emeritus of finance at the Anderson School of Management at UCLA, is now visiting professor of managerial accounting at Hong Kong University of Science & Industry. He has previously been a visiting professor at the Dalian University⁷ of Science & Industry in Dalian, China, and the Institute of Chemical Engineering Management in Beijing, as well as a visiting professor at the National University of Singapore. He is one of the co-authors of *Multinational Business Finance*, published by Addison-Wesley in 1992.

58 **William J. Adams** **BBA '57, MBA '58**

is the new president of Civic Searchlight, the nonpartisan good government citizens organization founded in Detroit 80 years ago. He also is a director and chairman of the Greater Detroit Foreign Trade Zone Inc. and a retired partner with the Arthur Andersen accounting firm.

59 **Lynn R. Evans** **BBA '59, MBA '59**

has been appointed vice president of Jannotta, Bray and Associates after retiring from General Motors with 33 years of sendee in the personnel field. Janotta, Bray, which specializes in career management and outplacement services, is headquartered in Chicago with offices in New York, Washington, Los Angeles, Milwaukee, Grand Rapids and Detroit. Evans will be working out of the Detroit (Southfield) office and will be involved in product development, customer contact and client consulting. His last position at GM was that of personnel director for the Flint Automotive Division. Before that he worked as divisional personnel director of Saginaw and Delco Moraine (Dayton, Ohio) divisions. He also spent time as director of compensation for General Motors Corporation in addition to 13 years with the Chevrolet Division. Lynn attended the Sloan Senior Executive Management Program at MIT in 1984. He and his wife Janice will be relocating from

Saginaw to either Ann Arbor or Birmingham, Mich.

62 **Barry Peebles** **BSE '60, MBA '62**

recently accepted a position as VP-Administration of Unitrin, Inc.'s United Insurance Operation in Milwaukee. Previously, he spent 15 years with Ford and the Ford Financial Group in Dearborn and 12 years with Verex Corp. in Madison, Wisconsin.

25th YEAR REUNION

October 22 and 23

The MBA class of '68 is putting together the Business School's first-ever 25-Year Reunion Program, and has already raised almost \$50,000 for the class campaign. Gift committee members include Fred Adams, Bob Anthony, Jack Bourget, Roger Lump, John Smucker and Tom Stafford. If you would like to offer input into the weekend's special plans, or would like to join the Reunion Gift Committee, please get in touch with the Alumni Office at (313)763-5775.

69 **Jeffrey Beal** **BBA '69**

is a certified general appraiser affiliated with International Appraisal Associates, Inc. in New York City. He lives in Roslyn Heights, N.Y.

70 **Edward A. Van Dyke** **BBA '70**

has served for the past two years as president, United Ways of Massachusetts — chief volunteer officer for 22 United Ways throughout the Commonwealth of Massachusetts that raise close to \$80 million for distribution to United Way-member agencies. Van Dyke is a board member of the Berkshire Healthcare Systems and in his third and final year as a board member of the Country Club of Pittsfield. He is also a trustee for the Episcopal Diocese of Western Massachusetts, and has been an adviser to the Pittsfield Boys' and Girls' Club capital campaign. He and his wife have three sons, a daughter and a grandson.

Kenneth H. Cowan **BS-IE, '66, MBA '70**

was recently promoted to senior vice president-asset management, for AT&T Systems Leasing, a computer leasing company with a lease portfolio exceeding \$1 billion. It is a wholly owned subsidiary of AT&T Capital. He is responsible for lease portfolio modeling, pricing, acquisition and remarketing. He lives in Plymouth, Michigan.

75 **Tom Haling** **BBA '75**

is vice president, information systems of International Management Group, where he is responsible for information systems world-wide. From 1986-90, he worked in systems strategy consulting for Booz Allen & Hamilton, and before that, worked for Babcock and Wilcox in various positions in manufacturing, finance and systems. He lives in Gates Mills, Ohio.

77 **Larry Friske** **MBA '77**

owns and operates Essex Realty' in Montclair, N.J. and says any Michigan alum is eligible for discounts in real estate costs covering his company's territory (between Newark and Parsippany). He writes that he has three children and tries to stop in Ann Arbor each summer on the way to see relatives in Wisconsin.

78* **Mary Ellen Holahan** **BBA '78**

writes that she has worked with the ABC television network sales office in Detroit ever since graduating. The office is one of four that the network has for commercial air time sales. She started as manager of sales proposals, then was promoted to account executive, a position she held until February⁷, 1993, when she was named vice president and Detroit sales manager of the ABC office. She is now celebrating her 15th year at ABC and says she feels fortunate to have picked an industry and a company that she likes so well (and, she adds, "to think I was recruited right out of the placement office at the B School." She is married to U-M graduate Thomas W. Emery, who practices admiralty law in Detroit.

79

Michael L. Bow
MBA '79

worked in the consulting division of Arthur Andersen until 1985 when he joined Coca-Cola Foods in the Houston headquarters of the "Minute-Maid" division of the company. After two years, he was appointed to a task force charged with improving productivity and streamlining the headquarters work force. At that time, he launched his own company, Financial Planning Strategies, to which he now devotes his full-time effort. Bow became a CPA in 1981 and a Certified Financial Planner in 1987. He is a frequent speaker on financial, investment, and budgeting topics to educational, civic and church organizations, and has built his practice by focusing on personal, one-on-one interaction with individuals and small business owners. As early as 1985, he promoted a debt reducing strategy as a method for building wealth during times of economic prosperity. He is currently identifying and implementing strategies to

deal with the changing demographics caused by the aging of the baby boomers.

Ronald N. Silberstein
BBA '79

formed his own CPA firm in January. Hirsch & Silberstein, P.C., provides accounting, tax, audit, and advisory sendees to small and medium-sized businesses throughout the United States. He is active with certified minority companies through the Michigan Minority Business Development Council. Before starting his own firm, he was a partner at Freedman and Goldberg, P.C.

81

John Andrew Capuano
BBA '80

has joined Munder Capital Management in Birmingham, Mich, as a portfolio manager in the private management group. He will be primarily responsible

for providing investment counsel to individuals' private retirement plans and family foundations.

Melissa S. Forbes
BBA '80

was promoted to Vice President of Bank of Boston on April 30, 1993.

82

Timothy M. DiTomaso
MBA '82

writes that he and his wife, Debbie, have their own business called Homexx International located in Anaheim, Calif. It is the largest manufacturer of ceramic faucet handles and decorative cabinet hardware in the United States, and supplies most of the largest kitchen and bath companies in the industry. They also had their second child, Katherine Elizabeth, in February, 1993. Their first child, Christopher Michael, was born

Paul E. Vawter, Jr., BBA '56, MBA'57

Going to the North Pole

Paul Vawter, jj ^ senior vice president at Stein Roe & Farnham in New York, went to the North Pole last summer on a Russian nuclear icebreaker along «.ih other Michigan grads (die trip was one of fine iravei programs offered by the l^M alumni association). "We aenmllv navigated the ship right onto the North Pole (90 degrees north) at i^'MO a-tru on July 13, 1992." he writes. "We then nmved the ship two or three miles away trot)i the Pole in order to have a harlseue picnic on the iew,"

in January, Paul went to the Antarctic along with three others from his North Pole trip. The) have ibrmed the "155 Degree Club,* a very exclusive group, since to be eligible for membership one must have covered at least 1:B degrees of latitude. Ton almost have e> have been to one of the Poles to accomplish this, feat," he writes.



Paul Vawter (left) kaUs a Michigan banner up ajm> minutr after arriving at the Snrth Pole last July, Uohing up the other end of the banner is 'ferry Rmt, assistant professor of natural re&mtrees at L~M. The hip mm arranged fa the Mkhigrm Alumni Aswriaimn,

December 26, 1991. He says between the business and two children only 13 and a half months apart, they are keeping extremely busy.

Nina Henry Price
B.Mus.A. '75, MBA '82

is a marketing consultant in the San Francisco Bay area. And on Wednesday mornings from 6 to 10 she can be heard on KFJC radio as the hostess of her own radio show called "Life in the Fast Lane — With Ann Arbor." She chose the air name of Ann Arbor because Ann Arbor, she says, is still one of her very favorite places on the planet. Classmates will probably remember that she was the driving force behind the Ann Arbor guidebook called Ann Arbor Annotated (which is still in print) and which she published right before entering business school in 1980. When she's not on air Nina provides consulting assistance to Silicon Valley companies of all sizes, producing multimedia content and raising two daughters. She is also involved in the community as regional director of Odyssey of the Mind and as publicity director of KFJC radio,

David J. Urban, Ph.D. '85

Award for Distinguished Teaching

Dr. David J. Urban, Ph.D. '85, was selected by the Freedom Foundation to receive a Leavey Award for Excellence in Private Enterprise Education. He is an assistant professor of marketing at Virginia Commonwealth University. He received \$7,500 in cash and a commemorative plaque at a ceremony June 19 hosted by the Freedom Foundation.

To be eligible for the Leavey Award, applicants must conceive and implement an innovative course, program, or project which develops a deeper understanding and appreciation of the American private enterprise system among students.

Urban won the award for a course entitled "Marketing in the Changing World." Other national attention he has received for the course includes a 1992 Distinguished Teaching Award from the Direct Marketing **Educational** Foundation.

10th YEAR REUNION
October 22 and 23

A social committee is being formed to plan events for the 10th Reunion. Social committee members include Kristan Beck, Ken Kelly, Pete Maglocchi, Michael Schamberg and Pete Stamatis. Members of the 10-Year Reunion Gift Committee are Shamir Bhattacharya, Jonathon Brateman, Rob Crim, Marty **Essenburg**, Joe Fitzsimmons, Les Nelson, Joe Simon, Pat Talley Wright, Tom Terpstra, Lisa Weinstein and Jeff Youle. If you're interested in joining either committee, please call the Alumni Office at (313) 763-5775.

Matthew S. Roeser
BBA '83

spent over 6 years in Chicago in the corporate finance department of Prudential Capital, then moved to London in 1989 to earn a M.Sc. in economics from London School of Economics, with emphasis on international finance and accounting. He joined Credit Suisse First Boston in 1990 as director of the Investment Banking

Dept. to expand the firm's role in international equities and privatisations.

84 Daniel Chong
MBA '84

has been promoted to vice president of Sales for Metropolitan Furniture Corporation. Metropolitan is a wholly-owned subsidiary of Steelcase, the largest manufacturer of office furniture in the world. Dan and his wife, Karen, will be relocating to San Francisco from New York City

Michael Grover
MBA '84

recently left Credit Anstalt Bankverein in New York City to accept a trading position in the Financial Markets Division of Cargill, Inc., based outside Minneapolis, MN. He and his wife, Veronica, have two very young boys and a third child due in mid November.

85 Paula Litner Friedman
MBA '85

has been promoted to market research manager within the beverage division of General Foods in White Plains, N.Y. She and her husband, Howard, and their son, Daniel, live in Stamford, Ct.

Alicia (Weaver) Robinette
BBA '85

writes that she left her information analyst position with Foremost Insurance Company to work more closely with the family farm, Robinette Orchards, which consists of fruit orchards and retail gift and food sales. She says she plans to use her marketing major to contribute to the accounting and marketing aspects of this growing business.

86 Barbara Carkenord
MBA '86

has started a computer training and consulting company, The Knowledge Exchange, that specializes in training systems developers in structured techniques and the use of CASE tools. She also is working with The Atlanta Project as a volunteer helping to revitalize the city of Atlanta.

Christos Garkinos**BBA '86**

has recently relocated to London, where he is heading up marketing for the Disney Store - Europe. For the past two years, he has been in marketing for Walt Disney records. He writes that the Disney Store is a successful retail concept in the U.S. and a small U.S. team has been given the challenge to start-up and grow throughout the continent. "We have stores in the U.K. and are expanding into Germany and France," he says, adding, "This is truly seat of the pants marketing — given its entrepreneurial makeup." He says he still follows U-M football and basketball and goes to the campus when visiting family in Michigan.

Jeff Haynes**MBA '86**

has just been promoted to marketing director for the office division of Trammell Crow company offices in Memphis, Tenn. He is married to Lucy Davis and they have one son, Campbell, one year old.

Lynn Prince Cooke**MBA '86**

has been named vice president-education and employment, for the Economic Development Council of Seattle and King County, Washington. From her background in managerial and labor training in both the public and private sectors, Cooke will be responsible for identifying a niche for the economic development council in its role as facilitator in the development of a productive, adaptable, and skilled work force.

87**Eduardo Kehyaian****MBA '87**

has just been named strategic planning director at Banco Santander de Negocios (Santander Group Investment Banking) in Madrid, Spain, and is also a member of the management committee. He was formerly a senior engagement manager at McKinsey & Co., where he worked for over 5 years.

Robert Tau**BBA '87**

is now working for Morgan Stanley as a research and trading assistant for their Equity Derivatives Group. His functions include research and development of trading strategies, analysis of market price behavior, and execution of orders.

ggI**Debbie Fick****MBA, MAcc, '88**

joined Avco Financial Sendees, a Textron company, in 1991 after 3 years with Ernst & Young. She says the Michigan degree opens a lot of doors and so does the MAcc program. She married Tom Wendler, a USC B School graduate, on June 27, 1992, and they now have a son, Kurt, and live in Corona del Mar, Calif.

Wes Lower and Niki Pappas Lower**MBAs '88**

are proud to announce the birth of their first child, Alexander. Niki is a marketing research manager at Leaf, Inc. (makers of candy and baseball cards, lucky for Alex) and Wes, who concentrated in finance, manages subscriber sales for Apollo Travel Sendees, a major computer reservation system. They live in Park Ridge, Illinois.

89**Christopher L. Jones, Jr.****BBA '89**

writes that he is now a first lieutenant in the U.S. Air Force, having completed the Judge Advocate Staff Officer's course in April. He then assumed his current position as Assistant Staff Judge Advocate - Chief of Adverse Actions and has been selected for promotion to the rank of Captain, effective in summer, '93. After graduation from the U-M, he attended Howard University School of Law, from which he received his JD in May '92. He passed the Pennsylvania Bar in November '92. He is stationed at McGuire Air Force Base in New Jersey.

Marcia Layton**MBA '89**

writes that after 3 and a half years with Kodak — most recently as marketing communications director, she left to start Layton & Company, of which she is president. She works with companies across the U.S., providing business-plan

writing sendees. Firms ranging from start-ups to mid-sized companies to Fortune 500 subsidiaries have worked with her to develop effective business plans. She says that by forming alliances with venture capitalists and financial brokers, she's also developing a strong track record in helping her clients locate financing.

9JU**Scott Nordlund****MBA/MHSA '90**

has been promoted from principal consultant to region manager in the Corporate Consulting Division of Baxter Healthcare Corporation. He is responsible for sales and management of all healthcare consulting provided by Baxter to hospital corporate customers from Alaska to Mississippi. He and his wife Becky live in Chicago and are expecting their second child in October.

Jorge M. Meszaros**MBA '90**

has recently been promoted to brand manager at P & G - Mexico. He also writes that on May 6, 1993, he married Laura Cen'antes in Mexico.

Tony Glinke**MBA '90**

purchased Ann Arbor Plastics shortly after graduation. It is a company that makes plastic in a multitude of different shapes and forms, meeting quality and design specifications for individual customers. Tony says the final candidates for selection all encompassed growth opportunities — in other words, companies being sold for the right reasons. He raised the capital with an IRA fund, a pension fund, some personal savings and some financing through the previous owner. Sales in 1991 reached \$500,000; in 1992, \$537,000 and projected earnings for 1993 are \$580,000. Tony says that being an entrepreneur is, for him, a great roller-coaster ride. He enjoys the action and thrives on looking for new ways to approach problems.

Christopher Tarpley**MBA '90**

has been appointed manager - business development in the Corporate Planning department at Kohler Co., where he will assist the corporation in identifying, evaluating, and executing acquisitions and ventures into new business fields. Since

Chris joined the Kohler Co. in 1990, he has served as corporate planning analyst, senior marketing analyst for the Plumbing and Specialty Products Group, and manager of by-product development and sales.

91 **Byron E. Askin**
BSIE '86, MBA '91

has recently taken a new position with Whirlpool Corp. in Singapore, where he will handle product marketing for refrigeration and air conditioning products for Southeast Asia. His title is product marketing manager, and he writes that he will be happy to hear from other Michigan grads in the area.

92 **Dirk Price**
MBA '92

is working as an assistant vice president in the corporate banking area of the Long Term Credit Bank of Japan, Ltd. in Los Angeles. The position involves account management and new business development in the Western United States.

The Monroe Street Journal
Offers Subscriptions

Whether you are a recent graduate or one who graduated years ago, you will find the *Monroe Street Journal* gives you a weekly update on relevant issues, news, entertainment and humor from the student point of view. The first issue for the 1993-94 year will be published September 13, 1993. A one-year subscription costs \$60. Send no money now, we will enclose a bill with your first

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Send to: The *Monroe Street Journal*, 701 Tappan Street, Ann Arbor, MI 48109-1234. Phone (313) 764-2074; Fax (313) 763-6450.

Ph.D. Notes

Ann K. M. Marshall
MBA '87, Ph.D. '87

has been promoted to director of new product planning in the international division at Abbott Laboratories. She

joined the company in 1990 as a manager of corporate strategic planning. Abbott Laboratories is a worldwide manufacturer of health-care products employing some 48,000 people.

Deaths

spent teaching at other universities such as MIT, the University of California, and the University of Texas. In 1958 he was a guest of the Australian Accounting Society, for which he lectured 8 months and received a Fellowship of Distinction. And for many years he was faculty adviser to the Michigan Daily.

Dixon is remembered by his friends and colleagues as a gracious host. At social gatherings he often entertained by playing the piano without the aid of sheet music. He played with great energy and enthusiasm, and was accomplished at the task. He also often met at lunch in the faculty club with colleagues from around the University to play billiards and bottle pool, excelling at both.

Survivors include his wife, Marie; one daughter; two grandchildren; and two great grandchildren.

Memorial contributions may be made to the Paton Accounting Center Scholarship Fund, the Michigan Business School, Ann Arbor, Michigan 48109-1234.



Robert M. Dixon
Professor Emeritus of Accounting

who taught at the Business School for 32 years, died April 5 in Lambertville, New Jersey at the age of 84.

During his long and distinguished career, Dixon served in many important positions in a number of professional organizations, including president of the American Accounting Association and president of the American Institute of Certified Public Accountants. He wrote several books and numerous articles, many of which were published in journals in foreign countries.

After receiving his BA and MA at the University of Michigan, Dixon went to Yale for his Ph.D. He then taught at Yale for 6 years and the University of Chicago for 4 years before coming to the Business School in 1942. He retired in 1974.

Professor Dixon placed students first. He spent many hours with them, not only answering their questions, but also advising them about their careers and helping them find positions after graduation. Most of his sabbaticals were

Lawrence R. Kalmbach
BBA '92

died January 24, 1993. He had been employed as an auditor by Citibank in Chicago, and was a member of Sigma Alpha Epsilon fraternity. He is survived by his parents, Mr. and Mrs. Dohn L. Kalmbach; two brothers, Scott and Peter; and his grandfather, Leland J. Kalmbach, BA '23. Dohn Kalmbach is a graduate of the Business School (BBA '60, MBA '62).

A memorial fund has been set up in Larry's name at the Business School. Checks, made payable to the University of Michigan, may be sent to:

In Memory of Larry Kalmbach
c/o Frank Wilhelme
School of Business Administration
The University of Michigan
Ann Arbor, Michigan 48109-1234

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Calendar

July 22

Reception for new students and summer interns in the Cleveland area sponsored by the University of Michigan Club of Cleveland

October 1-2

Fall Meeting of the Visiting Committee

Week of October 5

BBA Spirit Week

October 15

Fall Meeting of the Corporate Board

October 22-23

Homecoming and Reunion Weekend
Fall Meeting of the Alumni Society Board of Governors

November 5

Fall Meeting of the National Campaign Committee

November 5-6

Seventh Annual Real Estate Forum
Topic: "Edge of Opportunity: Suburban vs. Urban Development"

November 19

Manufacturing Forum
Topic: "Future Factories"

The University of Michigan, as an Equal Opportunity/Affirmative Action employer, complies with applicable federal and state laws prohibiting discrimination, including Title IX of the Education Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973. It is the policy of the University of Michigan that no person, on the basis of race, sex, color, religion, national origin or ancestry, age, marital status, handicap, or Vietnam-era veteran status, shall be discriminated against in employment, educational programs and activities, or admissions. Inquiries or complaints may be addressed to the University's Director of Affirmative Action and Title IX/Section 504 Coordinator, 6041 Fleming Administration Building, Ann Arbor, Michigan 48109-1340. (313) 763-0235. T.D.D. (313) 747-1388.

Dinner with the Dean Sells for \$925



A highly successful faculty auction held this year in the Student Lounge raised \$6,440 for a fund to commission a painting in memory

of Mary Jane Lu and Frank Iannucci, two second-year MBA students who died during the school year. (For more about the artwork that was bought in their memory, see the back cover.)

The auction featured faculty-donated events. The premier event, dinner for four with Dean and Mrs. White at their home, commanded a bid of \$925. After the frenzied bidding ceased, Dean White graciously agreed to host a second dinner for four if the second-place bidder was willing to match the \$925 bid. The crowd roared as the bid was matched. The *Monroe Street Journal's* headline that week proclaimed "Dean Sells for \$1,850."

Other events fetching over \$300 at the auction included a Toledo

Mudhens' outing with accounting professors Bill Lanen and Chip Klemstine; a golf outing with Associate Dean Tom Kinnear; a pub crawl with business law professor George Cameron; a golf outing with corporate strategy professor Andy Lawlor; a gourmet Indian dinner with corporate strategy professor Aneel Karnani; and a barbecue and croquet event with accounting professor Dave Wright, who also served as one of the auctioneers.

In addition to the pledged bids, the auction raised over \$250 in donations from auction attendees.

Most of the items offered by the

faculty at the auction were group events, and students formed "bidding teams" to vie for the entire auction item. Students got together with friends and showed up in force on the day of the event to stake their claims.

The auction was attended by just about everybody, the bidding was energetic and enthusiastic, and both faculty⁷ and students thoroughly enjoyed themselves.

"My husband, Walter 'Bud' Stark, had a remarkable career, thanks in large part to the excellent education he received at the University of Michigan.

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"Bud graduated in 1919, before the Business School was founded. Because he majored in economics and studied with Bill Paton, who later

became a prominent Business School faculty member, he developed close ties with the School over the years. Bud had a remarkable career. He enlisted in both World War I and II. He worked in Japan and China for Citibank International. He spent five years in the Federal Reserve Division of Research and Statistics. He served as assistant director of the Federal Reserve, and during the second World War had an office in the East Wing of the White House. And for 25 years, he worked for Loomis, Sayles & Co. in Boston, serving as the firm's chief economic advisor to General Motors."

"My husband had a four-year scholarship while he was at Michigan. So it seemed only right that we should, in turn, establish a scholarship and fellowship fund."

"I graduated from LS&A and was a member of Kappa Kappa Gamma at Michigan. In 1975, after Bud's death, I decided to leave the bulk of my estate to the Business School. Because my husband had benefited so much from the scholarship he received, it seemed logical to endow a scholarship and fellowship fund in his name. That way, he could give a gift in kind. The stated goal of the endowed fund is 'to attract and educate the nation's most exceptional M.B.A. and Ph.D. students, regardless of their personal financial resources.' I know Bud would be as enthusiastic as I am about that objective."



"Michigan gave my husband so much, it was only natural that we should want to give something back.

3L in.ii|iir bequest for scholarships seemed like the most logical gift."

Gladys Stark, B.A./LS&A, '22
 Donor,
 The Gladys and
 Walter R. Stark
 Graduate Scholarship
 and Fellowship
 Endowment Fund

"Bud truly enjoyed his time at Michigan. He gave a great deal — participating in activities like the Glee Club and in professional organizations and honorary societies such as COSMOS and Phi Beta Kappa. He gained a great deal as well. I'm proud to be associated with the Business School, and pleased that by establishing this fund, my husband's memory will live on to the benefit of many deserving students."



For more information about giving options and opportunities — including bequests and estate plans — we invite you to contact the Business School at (313) 763-5775-

The University of Michigan
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 Ann Arbor, Michigan 48109-1234

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"I'm pleased to support the Michigan Business School. Its a high-grade place that has sent some remarkable people into the world."

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"They Won Our Hearts Swiftly and Fully"

We wanted a visual expression that captured the essence of life, said one of the speakers at the dedication of a painting in memory of Mary Jane Lu and Frank Iannucci, two members of the MBA class of 1993 who died last year. At the dedication of the painting, a work created by Latin American artist Perez Celis, students spoke with deep emotion of their two classmates. "They won our hearts swiftly and fully," said one speaker. Students had chosen graduation day as the day to dedicate the art.

A plaque located next to the painting reads: "Dedicated by Section 6 of the MBA Class of 1993 on our graduation day in memory of Frank Iannucci and Mary Jane Lu, two of our section mates and friends whose lives were cut short during our tenure here. We hope that this painting will brighten the Business School long after we have left Ann Arbor, just as Maj's and Frank's



This painting, by Latin American Artist Perez Celis, was chosen by the MBA class of 1993 to brighten the Business School in memory of two classmates, Frank Iannucci and Mary Jane Lu.

friendship brightened our time here."

Lu, an international student from the Philippines, died last June from a brain infection. Iannucci, from Detroit, died of a brain tumor in October. They were both members of Section Six of the MBA class, and members of that section were the prime movers in organizing a faculty auction to raise money for a memorial. The auction, held this spring, raised over \$6,000.

(For more about the auction, see page 40.)

Perez Celis, a native Argentinian who now lives in New York, is regarded by many artists, critics and collectors as one of the most talented, complex, and controversial of the Latin American artists who have come to prominence during the last decade. His painting, untitled, hangs in the lower lobby of the Assembly Hall building.