

# Dividend



Palm

Michigan

## Innovation List

Increase # Women in Business

- .conduct nat'l survey.....
- .enlist senior execs.....
- .create scholarships.....

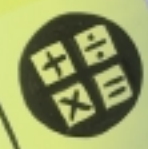
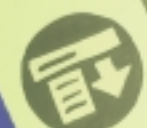
## Innovate Admissions Process

- .measure "practical" intelligence.....
- .integrate w/grades, GMAT.....

New

Details...

Show...



12:3

abc

“I thought they’d give me a few tools.  
But I walked away with a shiny new toolbox.”

**Tomas Mathews, V.P. Human Resources — International, *America Online***



Today’s hyper-competitive business world demands a new standard. To succeed, your toolbox must contain not just a few ideas, but full-range knowledge. Even more than that: your tools need to be action-ready and results-producing.

That’s why Michigan Executive Education is today’s standard-setter, ranked one of the two best in the world and rising. It’s part of a global center of business thinking. (“Core competence” was co-invented here.) With a passion and a talent for results-producing application.

It’s under the same roof as the world’s most innovative MBA program. One of just five MBAs in the *Business Week* top-ten throughout the ranking’s history. Intensively developing a cadre of leaders who meet a higher standard—people who not only know business but also how to make big things happen in today’s business world.

Join the new breed of results-producing leaders.

# Dividend

Fall 2000

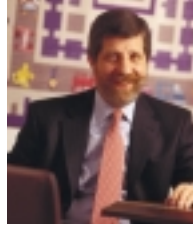
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When Stanley Frankel was a student, the business school experience was more or less local and entrepreneurial opportunities were non-existent. Today, it is just the opposite: Students can elect to participate in international, entrepreneurial assignments as part of their course work.



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In a major show of support for the Business School's Women's Initiative, the Committee of 200, a national organization of business owners and executives, co-sponsored the annual Women in Leadership Conference, offering students expertise, enthusiasm and scholarships.



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Michigan's man with the Midas touch is Dixon R. Doll, a venture capitalist who, through shrewd and judicious investing, has played a pivotal role in increasing the Business School's endowment more than a thousand-fold.

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Strengthen ties with the University of Michigan Business School: Complete and return your update form today!

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University of Michigan  
Business School Students  
Invite You to Attend

# The 11th Asian Business Conference

February 8–9, 2001

The annual Asian Business Conference is one of the largest student-run events at the University of Michigan Business School. This year's conference will bring together more than 20 senior executives and business leaders from around the world to discuss in open forum current issues of concern for firms doing business in Asia.

The conference will feature keynote speakers and panel discussions covering both regional and functional topics. Regional panels will focus on common issues facing companies conducting business in Greater China, India, Japan and Southeast Asia.

Functional panels will address specific industries and current issues of concern, including financial restructuring, venture capital, e-business and infrastructure.

For more information, visit our Web site:

<http://www.umich.edu/~asiabus>

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# ACROSS THE BOARD

## Faculty

### C.K. Prahalad Takes Sabbatical to Head Software Start-Up

C. K. Prahalad, the Harvey C. Fruehauf Professor of Business Administration, requested and has been granted a two-year sabbatical to head the company he co-founded.



Michael J. Schimpf

C. K. Prahalad

Praja Inc., a San Diego-based software company, was founded by Prahalad and Ramesh Jain in 1996; Prahalad serves as chairman. Praja's core technology allows producers to collect streams of data from video, audio, text and other media and synthesize these segments into composite models of the real-world events from which they were taken. This technology is used in Praja's proprietary event management and event experience systems.

Prahalad says his new venture is in keeping with his desire to give access to those previously restricted in some way. The software, which is used on the World Wide Web, makes lectures, sports activities, concerts and other events available online.

Prahalad, who is teaching "Competing in the New Economy" in the fall, will use much of the new technology available for distance learning to create "a highly interactive learning community," he says. "We are going to explore the contours of the

New Economy as it is unfolding. Learning in this setting is an exploration. We will be interpreting weak signals, identifying trends, drivers and discontinuities, and developing a perspective on what is possible."

When Dean B. Joseph White announced the sabbatical, he said Prahalad's new venture is in keeping with the goals of the Business School. "His effort demonstrates a seamless exchange between theory and practice, teaching and doing and building institutions," White said. "As C.K. builds Praja, he also will further our goals by bringing leading-edge issues into the classroom and producing his agenda-shaping articles. I am fully supportive of his new undertaking."

## Joint Venture

### Three Top B-Schools Partner on E-Business Offerings

The University of Michigan Business School has entered into a first-of-its-kind joint venture with two other top-

ranked business schools to offer three e-commerce courses simultaneously on all three campuses via interactive video and "Web classrooms."

Michigan's collaboration with the Haas School at the University of California-Berkeley and the University of Virginia's Darden School is intended to advance the use of high technology as an interactive, long-distance teaching medium, which could be used to instruct students, alumni and executives in multiple sites around the world. The universities' joint venture also will link two important technology corridors—Silicon Valley and Northern Virginia—with Michigan's innovative academic and executive-education programs.

In the future, the cross-national collaboration could lead to sharing of intellectual capital, cross-registration of selected courses and, ultimately, to a significant reworking of the scope, content and delivery of management education in America and worldwide.

"Take a great business school and multiply by three, and you get an idea of the unsurpassed potential we have to serve students and companies, and to generate intellectual capital," says Dean B. Joseph White.

This fall, Darden will begin with a course on e-business innovations. Later, Haas will offer a course on financial issues in the Internet sector. Michigan will wind up the series with a course (including a significant hands-on component) on understanding and strategically applying Internet technologies.



Michael J. Schimpf

CNN's Ed Garten interviews James Ferguson, president of Global Crossing Western Division, for a special business news segment on "Growing the Organization: A Conference of Innovative Solutions to the Pressing Problems of Business." The five-day conference hosted by the Business School in July featured Michigan faculty, including C.K. Prahalad, Robert Quinn, David Ulrich and Noel Tichy.

## Curriculum

# 14 Weeks: Idea to IPO

**T**aking a start-up business from idea to IPO in 14 weeks is a prospect many aspiring entrepreneurs dream about. Last winter, a new experimental course at the Business School offered students that opportunity—with some surprising results.

“I thought it would be good to have a course where students actually tried to prove their ideas for new businesses by obtaining clients,” explains Joshua Coval, assistant professor of finance, who conceived the idea for “E-commerce Workshop: Idea to IPO in 14 weeks.”

## ACROSS THE BOARD

Coval's course was an immediate hit. Eighty students from various disciplines, including business, engineering and law, were selected from among 200-plus applicants. Each submitted a rough business plan for a new start-up idea, and 15 teams were formed to pursue 15 different start-up businesses.

At the beginning, Coval brought in two venture capitalists, who offered advice and strategies. Each team's goal by term's end was to create a legal business entity, research the marketplace and competition, launch a Web site, explore business alliances and contact prospective clients. After 14 weeks, 12 teams made presentations to 10

venture capitalists. All were “quite surprised and impressed,” according to Coval.

At least three businesses stand a good chance to obtain funding. “The course gave students a classroom setting in which to implement their ideas in real time, instead of waiting until after graduation or trying to do it on the side,” says Coval. Participants gained valuable how-to information from lectures, input from fellow classmates, access to venture capitalists and the opportunity to utilize University resources while protected by the “safety net” of student status.

One student, Bhargav Sriprakash, MS '00, is already in business. His mechanical engineering background and family ties in India prompted the idea for CADfolio.com. The company performs quick-turnaround digital CAD (computer-aided design) conversions of paper drawings submitted via e-mail or fax by architects and engineers. “The course was fantastic,” says Sriprakash. “It was as real-world an experience as you can get within the University environment.”

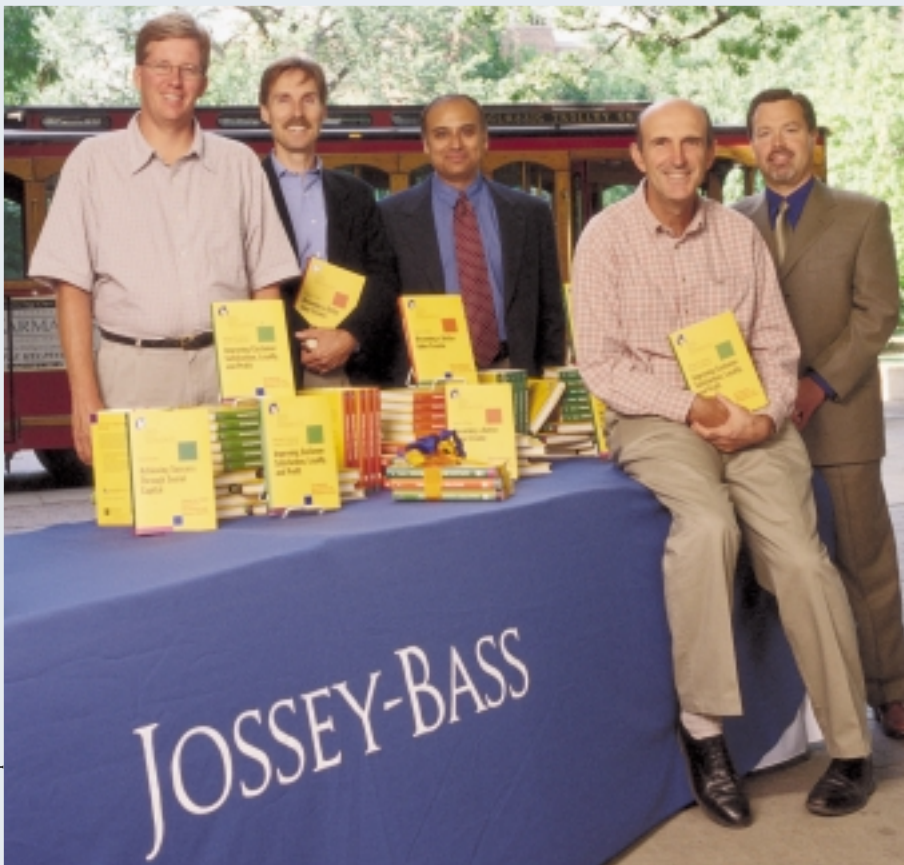
## Lifelong Learning

# Coming Soon: The Portable Executive

**A** decade after the release of its best-seller, *The Portable MBA*, publisher John Wiley & Sons has contracted key members of the Business School's Executive Education faculty to co-author a companion book in the popular *Portable* series, based on Michigan's highly successful four-week executive program for senior management. Publication of the new book, currently in progress, is targeted for the end of this year.

“The publishers chose the University of Michigan Business School because of our prestigious reputation in executive education,” says Ron Bendersky, Executive Education director of programs. “The book should be a big winner.”

*The Portable Executive* (this is the working title) will present a condensed overview of the newest thinking in business espoused by Michigan thought leaders, including C.K. Prahalad and Gordon Hewitt (strategy), David Ulrich (human resources), Raymond Reilly (finance), Dennis Severance (information systems and technology) and Thomas Kinnear (marketing).



**Come and get 'em:** The University of Michigan Business School and publisher Jossey-Bass have released the first three volumes of the new Michigan Management Series: *Innovative Solutions to the Pressing Problems of Business*. On hand for the kick-off celebration, hosted by Jossey-Bass, were (left to right) Michael D. Johnson, the D. Maynard Phelps Collegiate Professor in Business Administration and author (with Anders Gustafsson) of *Improving Customer Satisfaction, Loyalty and Profits*; Cedric Crocker, Jossey-Bass publisher for business and management; Anjan Thakor, the Edward J. Frey Professor of Banking and Finance and author of *Becoming a Better Value Creator*; Robert Quinn, the Margaret Elliot Tracy Collegiate Professor of Business Administration and creator of the series; and Wayne E. Baker, professor of organizational behavior and human resource management and author of *Achieving Success Through Social Capital*. For more information, visit [www.umsbooks.com](http://www.umsbooks.com).

Michael J. Schimpf

## ACROSS THE BOARD

### Entrepreneurship

# Award-Winning E-Lab Now Seeks VC for Students

**I**n the year and a half since its inception, the Business School's E-Lab has quickly gained visibility among student entrepreneurs, faculty, venture capitalists and, most recently, the international world of information technology. Its latest kudos came in April when the E-Lab received the prestigious Computer World/Smithsonian Medal in a worldwide competition.

"Our E-Lab was judged to be one of the world's cutting-edge institutions," says E-Lab Director Michael Gordon, professor of computer and information systems. Material about the E-Lab has become part of

the Smithsonian Institution's permanent collection, housed in the information technology division of the American History Museum in Washington, D.C.

In addition to accepting a medal on behalf of the E-Lab, Gordon received a second medal for his personal development of a unique simulation on the Internet, focusing on business prophecies.

To date, funds from the Dean's Office and an IBM Shared University Research grant have supported the E-Lab. Its innovative incubator environment provides students—and, to a limited extent, graduates of the Business School and other schools at the University—with a sophisticated infrastructure and technical support for developing, testing and deploying new e-businesses. More than a dozen start-up companies are now using the E-Lab's workstations and servers. However, no money has been available to help entrepreneurs pay for business

expenses, such as marketing materials and advertising.

Gordon currently is seeking new seed money from outside sources, and hopes to set up a permanent investment fund that would draw investors. He is confident the E-Lab will be attractive to a combination of funding sources.

"A venture capital firm is in the talking stage with us," Gordon reports. Two software-accelerator companies also have expressed interest in E-Lab activities. In exchange for equity positions, the two firms offer to provide both seed money and professional management to start-up companies during the early stages of their development.

Other organizations, such as the Business School's Wolverine Venture Fund, which provides venture capital to start-up companies once they are established, and the new Zell-Lurie Institute for Entrepreneurial Studies, offer possibilities for collaborative relationships. In the future, Gordon hopes the E-Lab may be able to take a small equity position in the companies it incubates.

## Teaching Gore? That He Remembered

By John Solomon

**W**hen Bonnie Reece answered the phone, I told her I wanted to speak with her husband about his former student who was now running for president.

"Al Gore," she said.

"No, George Bush."

"He didn't teach George Bush," she corrected me. "He taught Al Gore."

When he returned my call, Jim Reece, a professor of accounting and operations management at the University of Michigan Business School, explained that Mr. Gore was a student in his calculus class in the 1964-65 academic year at St. Albans School in Washington. Yes, he later taught at Harvard Business School, Mr. Reece said, but George W. Bush had never been in his class. Still, he agreed to check his files and call me back.

Fifteen minutes later, Mr. Reece acknowledged that he might be the only teacher to have taught the presidential candidates of both major parties. He had found Mr. Bush's class card and photograph, with a few notes in the margins; they helped jog his memory. "I remember George being a very friendly guy," he said, "and a good student." The class was an introduction to management accounting.

In part, he better remembered teaching Mr. Gore because his St. Albans class had only 13 students, versus 84 in Mr. Bush's section. Also, it was Mr. Reece's rookie year as a teacher. "You never forget your first year in the classroom," he said.

Even before finding out about his unusual predicament, he was undecided about how he would vote in November. But Mr. Reece, accustomed to giving job recommendations for his students to

prospective employers, was willing to provide this reference to the American people: "Based on my experience teaching them, I don't have any qualms about either being president."

*Reprinted with permission from The New York Times, June 18, 2000.*



**George Bush and Al Gore: Jim Reece taught both.** Reece, faculty director of Executive Education's Management Development Program, talks with current students Ronald Dresen, operations manager for the Alcoa Aerospace Center in Hutchinson, Kansas; Young Ho Park, vice president of LG-Caltex Oil Co. in Korea; and Leonie Walsh, research director for the Dow Chemical Company in Freeport, Texas.

# ACROSS THE BOARD

## Martin Luther King Day

# We're All Americans, Says Carole Simpson

**G**rowing up in the 1940s and '50s, ABC News senior correspondent Carole Simpson, BA '62, traveled with her parents from their home in Chicago through the South, where she experienced racial prejudice and segregation first-hand. Her family



**Carole Simpson**

was turned away from hotels and restaurants because they were people of color.

"That's when I realized that to be black in America was to be different—and not in a good way," Simpson told listeners, as she reflected on Dr. Martin Luther King Jr. and the Equal Rights Movement during the Business School's 12th annual observation of Martin Luther King Day on Jan. 17.

The barriers Simpson faced only made her more determined to overcome adversity and pursue an education at the University of Michigan, in preparation for a career as a journalist. "My parents thought my chances of becoming a reporter were about as real as those smudgy colored drawings in the Sunday comics," recalled Simpson. Her college counselors tried to steer her toward becoming an English teacher, so she would get a job after graduation.

Simpson proved them all wrong. She landed her first media job at the Tuskegee Institute in Alabama and, several years later, became a reporter with WCFL radio in Chicago. Her big career break came in 1966. After an overnight vigil in a hotel hallway, she got an exclusive interview with Martin Luther King Jr., who had moved his Civil Rights campaign northward to fight for open housing in Chicago.

That scoop "helped put me on the map." Simpson broke into network television and won numerous accolades, including an Emmy and a Dupont Award, for her reporting on social issues and her efforts to improve opportunities for women and minorities in the broadcasting industry. Now a 25-year veteran, she is anchor of ABC's *World News Sunday*.

"Dr. Martin Luther King and the courageous black and white people, who risked life and limb to join in the struggle, changed America—and changed it for the better," Simpson told her audience. "But his work is not finished."

Simpson presented a \$5,000 personal check to the African-American

Alumni Council for the Martin Luther King Scholarship program. She ended on a positive note, saying, "We're all Americans, and we're all more alike than we are different."

## Technology

# Good-bye PC :)

**A**fter 22 years of dominance, the personal computer is being eclipsed by a new generation of digital devices called information appliances, according to *The Wall Street Journal* technology columnist Walter S. Mossberg.

Speaking at the 33rd annual William K. McNally Memorial Lecture earlier this year, Mossberg told his audience that the disappearance of the PC, in its current

form, will have a profound impact on everyday life and business. The transition to information appliances will challenge the technological status quo, prompt a surge in Internet usage and force companies to reformulate their e-commerce thinking and Internet business models.

"I believe the Internet is actually imprisoned in the personal computer, and it's about to make a jail break," said Mossberg, whose award-winning Personal Technology column has been informing and entertaining *Journal* readers since 1991. "When it does, I think the explosion in the prospects for delivering the actual service, content, community and commerce are going to be enormous, and will make the period we've just been through seem small."

Mossberg's address, "The Future of the Internet Beyond the PC," on January 19, served the dual purpose of launching the Business School's new e-Business Speaker Series, which featured weekly lectures by leading experts on Internet-based commerce.

Mossberg has been hailed as one of the most influential journalists writing about computers and the digital world. *Newsweek* magazine has praised him as "a champion of the technology-befuddled Everyman." Last year, his Personal Technology column won him the 1999 Loeb Award for Commentary. In addition, he is a contributing editor of *Smart Money* magazine and a technological commentator for the CNBC network.

During his remarks, Mossberg painted a picture of a PC-less world, where WebTV, the Palm Pilot and other computerized appliances will handle specialized functions, such as communication, information retrieval, entertainment and e-business activity. Television sets for the Internet will provide instantaneous online access without having to boot up.

In this new world order, consumers will be freed from the PC-era burdens of selecting hardware, software and Internet Service Providers (ISPs), because the appliances they buy will be preconfigured. Instead, purchasing decisions will focus on design and user interface. Price and computer literacy will cease to be barriers to the Internet, where content will become increasingly more important.

Some new appliances, Mossberg conceded, will challenge Madison Avenue and the television networks. The Personal Television, for example, will enable viewers to select TV shows from different networks and program them for viewing without commercials at their leisure.



## Scholarship

# Michigan Ranks 2nd in Research Performance

**T**he University of Michigan Business School received another top national ranking, this time for its research performance.

Authors of the new ranking—Trieschmann, Dennis, Northcraft and Niemi—based their findings on the number of pages published in 20 top-tier business research journals by the faculty members at major business schools between 1986 and 1998.



Michael J. Schimpf

**Susan Ashford** senior associate dean, leads the research effort at the Business School.

Michigan's Business School was ranked second, placing just after the Wharton School of the University of Pennsylvania and ahead of competitors, such as Stanford, New York University's Stern School of Business and Harvard Business School.

The two highest-ranking areas at Michigan were accounting and management (organizational behavior and human resource management) and corporate strategy.

Susan Ashford, senior associate dean for academic affairs, believes the top ranking underscores the faculty's success in fulfilling one of its key roles at the Business School. "The core mission of all top business schools is to create and disseminate

## ACROSS THE BOARD

knowledge," says Ashford. "Knowledge is created through the process of research and disseminated through classroom teaching and scholarly and popular writing.

"This latest ranking of the research performance of our Business School faculty is testimony to their talents and passion for research," she says, "and to the environment we have created here at Michigan to support research endeavors."

## Recruiting

# West Coast Forum Targets New Economy Companies

**T**he West Coast Forum is riding the big wave of high technology, telecommunications and e-commerce. The Business School's annual recruiting event for MBA students and alumni, held in Silicon Valley each fall, has snowballed over the past three years. Its popularity reflects the New Economy's growing demand for business-school graduates of leading universities.

This year's West Coast Forum, scheduled for Thursday, November 30, and Friday, December 1, is expected to draw recruiters from approximately 60 New Economy companies, double the number represented in 1999. These include Blue-Chip technology firms, such as Netscape Communications, Sun Microsystems, Cisco Systems and Intel, as well as smaller start-up companies.

The West Coast Forum invitation list is open to any alumni who are interested in business and the New-Economy sector, as well as to first- and second-year MBA students who are considering future employment in the high-tech industry. Last year, 110 students flew to Menlo Park, California, for the event. Attendance this fall is expected to match or exceed that number.

For more information on the upcoming West Coast Forum, which will be held at the Sofitel San Francisco Bay Hotel in Redwood City, California, contact Maureen Shannon at 734-647-4918 or mbsth@umich.edu.

# Let's Focus on the Digital Dividend

**By C. K. Prahalad, the Harvey Fruehauf Professor of Business Administration, professor of corporate strategy and co-founder and chairman of Praja Inc.**

**C**onventional mental models may be an impediment to the diffusion of Internet benefits to poorer countries. One issue—the potential for a digital divide—seems to have mobilized politicians, academics, non-governmental organizations and managers with surprising speed. The emerging consensus is that in the New Economy, where access to knowledge is critical for economic success, the increasing importance of the Internet will further accentuate the differences between the "haves" and "have-nots."

The poor in developed countries such as the United States and poor countries like India and Bangladesh will face an insurmountable structural disadvantage, so the reasoning goes. This conclusion is based on three implicit assumptions:

- The poor cannot afford to buy the computers they need to be connected.
- The infrastructure of these countries is so poor that a significant portion of the population simply cannot be connected.
- Low levels of literacy will ensure these people do not derive the benefits of the New Economy, even if they are connected.

These assumptions are based upon traditional notions of investment capacity and educational attainments. Are they appropriate in this debate? I think not. Instead of a "digital divide," consider a "digital dividend." This is the opportunity—the big opportunity—and one that promises true economic democratization of society. Let me explain.

## Access Not Ownership

The assumption that one has to own a PC to access the benefits of the New Economy must be challenged. For the last decade, managers have been moving away from the vertical integration of the 1970s and early 1980s toward outsourcing,

# ACROSS THE BOARD

alliances and networks. In the New Economy, the source of competitive advantage is predicated on privileged and easy access to sources of competence, not ownership. A similar phenomenon is developing with individual consumers. As can be expected, this trend is very clear in poorer societies.

In India, for example, pay-for-use telephone kiosks, operated by local entrepreneurs (mostly women), have made access to the telephone possible for a large number of urban poor and people in villages. Some entrepreneurs have added fax machines to their portfolios. Now many are adding PCs. A large number of entrepreneurs in India also have started Internet access shops. There, they "rent" access time for as little as 10 cents an hour. With competition, this rate is likely to go down. For every PC and Internet connection, there are probably 20 to 25 users, depending on the region. With ownership no longer a prerequisite for access, new vistas of opportunity are suddenly open.

**Traditional View = Ownership, Investment Capacity, Single User, Niche Coverage**

**Emerging Reality = Low-Cost Access, Pay-for-Use, Community of Users, Mass Coverage**

While richer nations and individuals trade cash for convenience and own PCs, poor people make an equally rational trade-off. They swap personal inconvenience for low-cost access, thereby avoiding the need to make a major capital investment. In a fast-changing industry, ownership may not be the best choice.

## Why the PC?

Access to the Internet is becoming device independent. Increasingly, the device of choice may be the cellular phone and the TV. Once we recognize that the TV with its cable and cellular infrastructure will complement the wired infrastructure, the investment needs for connecting the small towns and villages in countries such as India, Brazil or China become less onerous. Investments and returns assume a different dimension of risk.

## Literacy in the New Economy

The New Economy is transforming the meaning of "expertise." We tend to associate expertise with years of formal education. One could not develop expertise in medicine or iconography, for example, without substantial education. This may

still be true. But consider the impact of WebMD. Patients have access to a wide variety of information—from medical journals and articles, to the experience of other patients with similar problems around the world through chat and support groups. The patients are very well informed, often to the irritation of doctors. The same is true for the millions of people who trade in stocks and attempt to digest complex reports on individual stock picks. What was available only to private banking clients and brokers is now available to everyone.

Real democratization comes with access to information and the ability, based on personal choice, to acquire expertise in fields that were previously inaccessible. Add to this the fact that formal classroom education already is becoming available on the Web at a fraction of the cost. The question for us is: Will the New Economy force us to supplement the school-based "formal education" model? Are there other ways for people to gain expertise?

## Text vs. Multimedia

The Web today is text-based and English-dominated. A major transition will be to move from text to voice. Voice-based e-mail is already here, and voice recognition systems will evolve to accommodate more languages, individual differences in the use of language and fuzzy queries. We can expect individualized views of the world to evolve based on a seamless integration of text, audio, images, video and graphics. Such systems already exist. Praja Inc. of San Diego, the software company I am involved with, is in the forefront of developing the technology infrastructure for seamless integration of text, audio and video to create unique experiences.

## Individual Or Community?

In many debates about the digital divide, the focus is on the individual with societies becoming simple aggregations of individuals. Nothing can be further from reality.

The Internet fosters a community, one that is not restricted by space and time. These are thematic communities, formed by common interests. However, traditional geographically defined communities do not vanish.

As individuals participate and learn in thematic communities, they also will share their new-found knowledge and excitement with their local communities. This model of diffusion of new knowledge suggests that for every Internet connection, we should not only think of 20–25 people who may have access but of yet another multiplier that increases the numbers who get access to that knowledge base. Investments in infrastructure have significant multiplier effects.

## Entertainment and Education

Very often academics and politicians take an elitist view of the poor. India started, for example, with the view that "TV must be used primarily for the education of the poor." Much as they tried, villagers were not ready for one more program on "the best way to cultivate wheat."

Education has its place. These people want to watch Hindi movies and American programs such as *I Love Lucy* and *Three's Company*. For the medium to be used effectively, it must have a significant entertainment potential. So is it with the Internet. It should surprise no one that sports, sex and stocks dominate the Internet in the U.S. Other applications such as e-learning and e-commerce will evolve rapidly as well.

I think the message is clear: Poor people will access the Internet if the content appeals to them. Preaching to the poor on the importance of the Internet will not bring them to the fold. Each must experience the fun and the benefits themselves.

## Think Dividend, Democracy

The spread of the Internet will revolutionize the world as we know it. The possibility of the poor being left behind is real. The digital divide is a possibility. But so is the possibility of harnessing this great opportunity to democratize access to information and economic opportunity. For the latter to happen, the elite of the world—politicians, academics, bureaucrats and managers—must re-examine their models for diffusion of the benefits of the Internet. Our mental models may be the real impediments to progress.

*Excerpted with permission from the second issue of the European Business Forum, an Internet business magazine, [www.europeanbusinessforum.com](http://www.europeanbusinessforum.com).*



Michael J. Schimpf

“Balance! Balance! Don’t be deceived, my life hasn’t been perfectly balanced. It is always a struggle. I used to be a constant workaholic. A lot of people do that early in their careers, but in the long run it doesn’t work very well. Everyone needs business time, personal time and family time. You really need to block things out. I do all sorts of things to keep my focus. If I’m in family time, I won’t turn the cell phone on or carry a pager. You have to set boundaries so you can be really focused. It is hard. It is really hard. Another thing is you never find perfection.”

*Jeff Rich, BBA '82, president and CEO of Affiliated Computer Services Inc., speaking at a Dean's Seminar on April 11, 2000.*

“We can teach a dot-com about logistics, alliances, access to sources of innovation or globality. Everyone has to learn new tricks, including dot-com companies. There’s a lot [to understand] beyond the IPO.”

*C. K. Prahalad, the Harvey Fruehauf Professor of Business Administration, in the Business Week magazine article, “Teaching New Executives Some Old Tricks: B-schools Offer Web Entrepreneurs the Knowledge They Lack,” April 3, 2000.*

“It’s important to be smart, it’s important to do well in school. Those are necessary but not sufficient conditions for success in business. When you get out in the business world, you have to influence people, you have to sell people, you have to work with people, you have to solve problems, you have to come up with new ideas. Those skills become extremely important in determining a person’s total success.”

*B. Joseph White, dean of the University of Michigan Business School, speaking about the school’s new test to assess practical intelligence on CNN Financial News television program “Market Call,” June 15, 2000.*

“Women executives have an immediate positive effect on stock growth and earnings per share. How so? Women open up lines of communication. Having women on the top management team opens doors to bring new information to the table.”

*Theresa Welbourne, associate professor of organizational behavior and human resource management, in the Working Woman magazine article “Charting Success: It Pays to Have Women on the IPO Team,” June 2000.*

“The recognition of consumers as active players in co-creating value shifts the locus of core competencies from the firm to the enhanced network. Competence now is a function of the collective knowledge available to the whole system. It forces managers to rethink the resources available to them and re-examine what to look for and where to look for it, just as the astronomer Copernicus challenged the orthodoxies of 16th-century assumptions.”

*C. K. Prahalad, the Harvey Fruehauf Professor of Business Administration, Venkatram Ramaswamy, associate professor of marketing and a Michael R. and Mary Kay Hallman Fellow, and M. S. Krishnan, assistant professor of computer and information systems and a Michael R. and Mary Kay Hallman Fellow, in the Information Week article they authored titled, “Consumer Centricity,” April 10, 2000.*

“I have never been too concerned that the very wealthy are under-represented by our political system. Even if they have one vote, or in this case, no votes, their interests are still represented by their economic power.”

*James Hines, professor of business economics, in The New York Times article, “Summer Residents Want Year-Round Voice: Taxpayers from Out of Town Seek Vote on Local Issues,” May 30, 2000.*

“Although politicians have focused on lightening the income-tax burden, the payroll tax ends up taking a bigger chunk out of most people’s pockets.”

*Joel Slemrod, the Paul W. McCracken Collegiate Professor of Business Administration and director of the Office of Tax Policy Research, in The Wall Street Journal’s “Tax Report: A Special Summary and Forecast of Federal and State Tax Developments,” June 21, 2000.*

“The University of Michigan Business School, the Haas School of Business at the University of California at Berkeley and the Darden School at the University of Virginia—they’re all teaming up here. They’re going to be offering each other’s students classes in e-business. Pretty fitting, isn’t it, that they’re going to pull this off with the Internet?”

*Tracy Romine, anchor for San Francisco’s CNET Radio program “Early PM” on June 29, 2000.*

“The effort [by the University of Michigan Business School to test for practical intelligence] is a boon to the group of educational psychologists who have argued for years that the Scholastic Assessment Tests are too narrow a measure to determine admission to the country’s best schools and who gets first chance at the best jobs when they graduate. Robert J. Sternberg, a professor of psychology at Yale University who is writing Michigan’s new tests, says the traditional tests are ‘not going to tell you who has good ideas.... they are not going to tell you who is going to have the practical ideas.... they’re not going to tell you who is going to get along with the boss.’”

*David Leonhardt in The New York Times article, “On Testing for Common Sense: A Business School Thinks It Makes Sense,” May 24, 2000. (See full article, page 19)*



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University of Michigan Business School

# No More Outsourcing: Internal Specialists Needed If Maximum Profits Are Desired

*Here is a five-stage strategy for increasing profits through the measurement and management of quality, customer satisfaction and loyalty.*

By Michael D. Johnson, the D. Maynard Phelps Professor of Business Administration and professor of marketing, University of Michigan Business School

**T**he formula is simple: Customer loyalty [read profits] equals customer satisfaction plus product and/or service quality. Companies need to recognize, however, they cannot have customer loyalty without customer satisfaction, and they cannot have customer satisfaction without product and/or service quality. All three factors represent an intertwined chain of cause-and-effect relationships, which ultimately affect the bottom line.

Concentrating on one factor alone, while ignoring the others, or viewing customers like the fifth wheel on the wagon is counterproductive. To stay ahead of the competition long-term, top management has to go a step further and create internal specialists to measure and manage quality, satisfaction and loyalty.

This internalization enables organizations to invest in and take ownership of the process and data. They are able to make quick, responsive decisions that further optimize customer satisfaction and loyalty while adapting to fast-changing market demands.

In the past, companies have not fully embraced the concept of building customer satisfaction and loyalty. Many commissioned outside research firms and consultants to design surveys, conduct studies, analyze data and generate “black-box” solutions, dutifully ratcheting up their efforts

during bad economic times and sloughing off during good ones.

Other companies—while accepting generally held beliefs about the importance of keeping customers happy and encouraging repeat business—asked hard questions about the actual dollar return on their investment in quality and customer satisfaction.

With the current emphasis on reducing head count, implementing cost controls and increasing efficiencies through mergers and acquisitions, many CEOs still look askance on proposals that would increase staffing and internalize activities that always have been farmed out to freelance contractors.

The New Economy is little better. Internet-based retailers, viewing themselves primarily as transparent conduits between consumers and manufacturers, likewise have given short shrift to issues impacting quality and customer satisfaction. Witness the mad confusion and customer backlash that occurred during last year’s holiday season when online orders were lost, jumbled or delivered late; consumers were left with little recourse for exchanging or returning merchandise, obtaining refunds or voicing complaints with a “live” company representative.

What these companies have failed to recognize is that it is nearly impossible to

achieve and sustain customer satisfaction and loyalty without making customer orientation a “core competency”: a way of doing business that is deeply ingrained within a corporate culture. Outsourcing this responsibility rarely produces lasting change.

Likewise, to determine the true payoffs on their investments in quality and satisfaction, firms cannot rely on somebody else to do the work. They must establish their own internal management and measurement systems for collecting and analyzing data, which ultimately influences their own decision-making. It is imperative that firms *own* these processes, not merely *rent* them from outsiders.



Michael J. Schimpf

**Michael D. Johnson**

Implementing a system for the measurement and management of quality, customer satisfaction and loyalty, and, subsequently, profitability can be accomplished in five stages.

**Stage 1:** Senior executives must deploy a strategy in which the customer measurement system is built upon a strategic marketing plan. This will help identify the customer segments on which the company will focus its satisfaction and loyalty efforts. Policy deployment and the “balanced scorecard” are useful tools in this process.

**Stage 2:** Qualitative research is used to develop a “lens of the customer,” or satisfaction model. Information is gathered by talking to focus groups and asking individual customers to describe the specific things they like or do not like about their

interaction with the company. Their responses can help pinpoint issues that are deemed potentially important to customers in general.

**Stage 3:** Using this lens, a company can develop a broader, systematic satisfaction and loyalty survey. This survey can be administered to a wider, more representative segment of customers to determine what they view as important factors affecting satisfaction and loyalty, but without any ranking or rating of those factors.

**Stage 4:** This involves setting up a systematic process for analyzing the survey results to determine two key pieces of information: (1) how the company is performing on the attributes that describe the product or service and the benefits they provide and (2) what degree of importance or impact those attributes have on customer satisfaction, loyalty and profit. Once these two key information pieces are determined, a company can identify where it will get the biggest bang for its customer-satisfaction buck. Usually, this is in areas with low performance and high customer impact, which are vulnerable to competition.

**Stage 5:** Senior executives again play a predominant role. It is their responsibility to use the interpreted data in their decision-making process as they formulate future strategies and allocate resources.

*The truth is,  
you cannot remove decision-  
makers from the process.  
Measurement systems  
don't make decisions,  
managers do.*

When I consult for a company and present top management with the data generated by their own staff, the executives often ask, "What do the numbers tell us to do?" My response is always the same: "The numbers don't tell you what to do. They only help you as an executive to make fact-based decisions."

The truth is, you cannot remove decision-makers from the process. Measurement systems don't make decisions, managers do. And they must, because as competition intensifies, and it always does, multiple, strong competitors will arise in their market niche. These competitors will threaten to lure away their customers and, if successful, will force them to expend large sums to replace those customers who have defected.

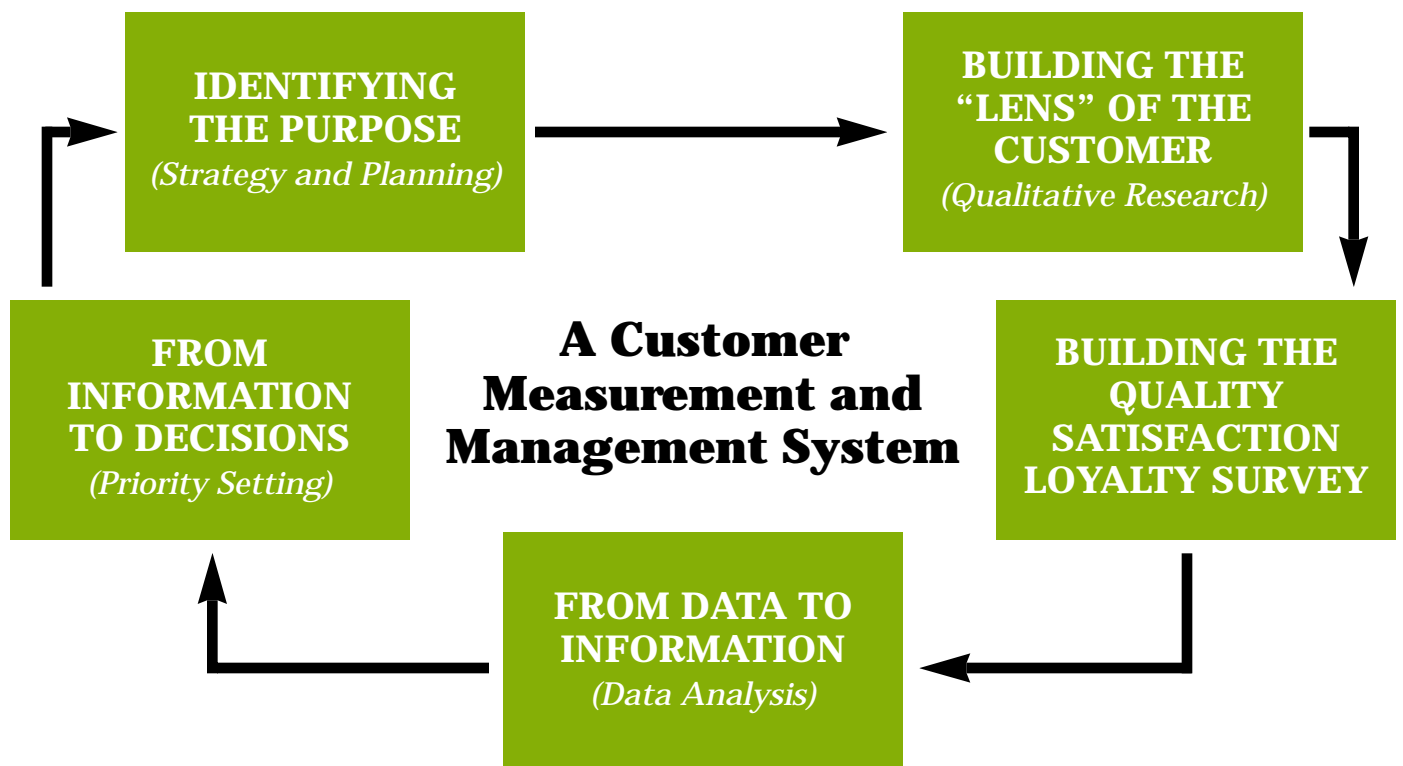
Some companies, particularly in the service sector, have succeeded in maintaining a customer focus while still emphasizing efficiency. These include Fidelity In-

vestment, Southwest Airlines and Ikea, a Swedish furniture retailer. Countless others are struggling.

In the long run, it is the companies that differentiate themselves in the eyes of their customers, satisfy those customers and never give them a reason to do business with anybody else that will emerge as the most profitable.



*To purchase a copy of **Improving Customer Satisfaction, Loyalty and Profit: An Integrated Measurement and Management System** by Michael D. Johnson and Anders Gustafsson, one of the first in the new book series, "Michigan Management Series: Innovative Solutions to the Pressing Problems of Business," visit [www.umbsbooks.com](http://www.umbsbooks.com). To contact Johnson directly, send messages to [mdjohn@umich.edu](mailto:mdjohn@umich.edu).*



The following is a list of recent journal articles written by University of Michigan Business School faculty. To purchase a reprint of an article, contact MITS at the University of Michigan's Hatcher Graduate Library: (fax) 877-329-6487; (phone) 734-763-5060; (e-mail) MITS.mail@umich.edu. There is a \$12 fee per article and, on occasion, an additional copyright royalty.

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Michael J. Schimpf

**Izak Duenyas**

## Good-bye Flexible Manufacturing; Hello Reconfigurability

***It's a long word that describes the newest way to shorten new product development time—and save money in the process.***

In today's economy, individual consumers and corporate purchasers alike demand more from retail manufacturers and tier suppliers than ever before. They want a greater variety of products and more frequent changes in selection. They want faster delivery times with little or no waiting. And they want highly competitive prices with no guarantees of order size or frequency.

It's no wonder manufacturers and suppliers feel trapped, as their ever-expanding marketing targets threaten to outstrip the ability of their operations to support those new demands. Automotive manufacturers, which must invest millions of dollars and precious downtime when retooling for new model production, are especially vulnerable.

Internet businesses are not exempt from the need to balance customer demands with operational and economic realities. The surge in e-commerce activity has only

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served to intensify customer expectations. Too often, however, online shoppers are disappointed by fledgling Internet retailers, which lack the inventory depth or warehousing and distribution network, or both, to deliver on their retailing promises as quickly as they claim—or even at all.

Business School Professor Izak Duenyas and his colleagues in the Engineering Research Center for Reconfigurable Machining Systems believe there is a way to resolve many of these issues through something he terms “reconfigurable manufacturing systems.”

This operational strategy involves the use of manufacturing equipment that can be re-engineered quickly and cost-effectively. It enables a company to switch to a new product, be it a made-to-order tool or a new model car, without the high capital expenditure and sizable time delay required when totally new equipment must be purchased and installed.

“Customers in the New Economy value variety and want their desires fulfilled quickly, so companies must respond to this,” says Duenyas, who was named the John Psarouthakis Research Professor in Manufacturing Management last May.

“Reconfigurable manufacturing systems (RMS) offer the flexibility to provide that variety and time efficiency.”

RMS is a new concept and represents an innovative approach to fulfilling customer demands. In past years, companies have relied primarily on flexible manufacturing to meet shifting market demands, but reconfigurability is something quite different.

“If you are producing three products, A, B, C, on the same line, a flexible system will allow you to change the mix of those three products to meet fluctuations in demand,” explains Duenyas. “But suppose your designers come up with a new product, D, and you decide you don’t want to manufacture A and B anymore.”

In a flexible manufacturing system, switching over to product D would require a costly engineering change or the purchase of new equipment. “However, with a reconfigurable system, you can introduce new products with considerably less expense and less ramp-up time,” he says.

There is one drawback, however. Reconfigurable manufacturing systems may be more expensive to purchase than dedicated machinery, so companies must weigh the relative advantages and costs of the new

technology. “The question is whether to go with dedicated, but inflexible, machines or with machines that are reconfigurable, but have a greater initial capital expense,” says Duenyas. “A firm seeking a competitive advantage must understand what its customers want and invest appropriately.”

Determining the right system combination is not a simple, unilateral decision. “What companies need,” he says, “is a model or economic decision-making aid to help them decide how much reconfigurability they want in their system, and how to reconfigure the system in response to market demand.”

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*“Customers in the  
New Economy value variety  
and want their desires fulfilled  
quickly, so companies must  
respond to this.”*

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Developing just such a model is an important part of Duenyas’ work at the University’s Center for Reconfigurable Manufacturing Systems. The center is a joint initiative between the University and major corporations. Launched four years ago, it is funded by the National Science Foundation.

As the leader of a project to evaluate the life-cycle economics of reconfigurable systems, Duenyas has developed a software tool that can help companies assess the value of reconfigurability. One version of the software is currently being tested by some of the Center’s corporate members, which include Ford Motor Company, General Motors Corp., DaimlerChrysler AG and Cummins Engine Company Inc.

In his research on reconfigurability, Duenyas has identified several key issues that can impact a company’s ultimate selection of manufacturing systems. First is the relative cost of initially investing in dedicated equipment versus reconfigurable equipment. “Companies have to know how much more expensive reconfigurable equipment is,” says Duenyas. “Are we talking about a 10% or a 100% difference?”

The relative maintenance costs and reliability of the two types of systems is a second issue. “In the 1980s, flexible equipment had less reliability and failed more often than dedicated equipment,” he says. “Since then, the quality has improved.”

Third, companies must compare the capacity of the two systems and determine

*continued on page 46*



# New Endowment Fund Supports E-Commerce Fellowships

## *\$3.4 Million Gift by Mike and Mary Kay Hallman Stimulates Technology-Related Business Expertise and Research*

**A**s an “IBM kid,” **Mike Hallman**, BBA '66, MBA '67, grew up around computers and embraced the emerging culture of PC technology long before it gained widespread popularity. It is no surprise that he, his brother and sister, as well as both of his siblings' spouses, followed in the footsteps of their father, who worked for Big Blue for 49 years.

“That made for very boring Christmas dinner conversation,” recalls Hallman, who launched his own career at International Business Machines Corp. in 1967 and spent 20 years at the company. “My mother and my wife were the only ones who didn't work for IBM, and they had to call a moratorium for 10 minutes every hour, so we could talk about something other than computers.”

Hallman's career in the computer industry—including high-level executive positions with the Boeing Co., and later Microsoft Corp., where he was president and COO for two years—further underscored his conviction that electronic commerce and technology-facilitated business hold the key to the future of global commerce.

As a Business School alumnus, and a Visiting Committee member since 1991, Hallman also came to recognize the pivotal role the Business School and its faculty play in creating a business and research environment that prepares students for career success in the New Economy. More important, as one of the few technology-industry spokesmen on the Visiting Committee, he saw the need for additional funding to help

the Business School enhance its competitive position, increase its faculty depth and boost its research efforts in technology-related business areas.

With this in mind, Mike Hallman and his wife, Mary Kay, decided at the turn of the new millennium to donate \$3.4 million to the University of Michigan to create an endowment fund for the Business School. Proceeds from the Michael R. and Mary Kay Hallman Endowed Faculty Fund will be used to attract, recruit and retain faculty who are interested in electronic commerce, to provide money for related research projects and to support other new initiatives.

“The purpose of our gift is to provide seed money that will enable the Business School to focus on electronic commerce and other technology-facilitated business innovations,” says Hallman. “The whole area of e-commerce is new and characterized by change, so our intent is to give the Dean as much flexibility as possible to vary the application of the funds, when time, opportunity or technical changes make it feasible.”

Mary Kay Hallman adds, “We strongly believe that investments in education are crucial in preparing leaders for a rapidly changing world.”

The Business School decided to underwrite three faculty fellowships with support from the Hallmans' endowment. In May,



Davis Freeman

these fellowships were awarded to three faculty members: Venkatram Ramaswamy, M. S. Krishnan and Joni Jones.

"There is a great need to understand more about the issues involved in the New Economy," says Ramaswamy, who is a professor of marketing, and computer and information systems. "This fellowship will provide important support for my research in the area of information technology and electronic business. It also will help me connect better with industry.

"In turn," he continues, "the new knowledge and expertise I develop will be integrated into the Business School curriculum and disseminated through publications." Ramaswamy's research revolves around the concept of an emerging consumer-centric economy, and the growing role of highly informed consumers as collaborators with business. This fall, he is introducing and teaching a new course, "Creating Value in the Network Economy: Internet, Technology and Customers."

*"The whole area of e-commerce is new and characterized by change, so our intent is to give the Dean as much flexibility as possible to vary the application of the funds, when time, opportunity or technical changes make it feasible."*

Hallman's personal memories of his own student days in Ann Arbor from 1963 through 1967 are overshadowed by recollections of campus dissent against America's military involvement in the Vietnam War. "It was not a fun time," he recalls. "People were either protesting or studying, and I was studying. I crashed through school and focused on academics, earning my BBA and MBA in less than four years."

In retrospect, Hallman says, his education at the Business School helped to prepare him for his next 20 years with IBM. "It provided me with a disciplined, analytical way of thinking about business, and served me extremely well in problem-solving and dealing with unique situations," he explains. "Although I didn't have a technical background, it enabled me to move into the marketing area of a highly technical field."

Hallman met Mary Kay while he was working one summer as a bus tour guide for Greyhound Lines Inc. She was working as a waitress during her summer break from col-

lege in a hotel in Colorado Springs, where the tours spent overnights. In the morning, Hallman put the tourists on the bus and then went into the hotel coffee shop.

"We struck up what became a long-term relationship," he says. "My wife's father was in the Air Force, so she married a civilian for stability. But it wasn't quite what she expected. She claims now that life with IBM was worse."

Despite constant moves and relocations, the couple has been married 33 years and has two daughters: Jennifer, 30, who is a manager with Safeco Corp. in Redmond, Washington, and Rebecca ("Beck"), 25, who works in the membership department of the new Experience Music Project in Seattle.

In 1987, Hallman joined Boeing, where he became president of Boeing Computer Services, the corporate internal and external computing operation. The most challenging part of his job as CIO (computer information officer), was not managing 15,000 employees and a \$1 billion budget but, rather, overseeing the corporation's telephone system. "You get a whole new sense of customer service when you are responsible for the chairman of the board's dial tone," he confides.

During his tenure, Boeing for the first time completely designed an airliner on computers and tested it electronically before actually building it. This was a revolutionary breakthrough in the industry. "It reinforced the fact that technology can have a dramatic impact on the way you do business, and on your revenue and profits," says Hallman.

His fascination with desktop and personal computing drew him to Bill Gates' emerging enterprise at a time when it was transitioning from individual users to large corporate users. He served for two years as president and COO, and then stayed for six months as a consultant. "When I took the job at Boeing (in Seattle), I lived in Redmond, Washington (home of Microsoft), so my move to Microsoft shortened my commute to three miles; that's the real reason I switched," quips Hallman.

Despite Microsoft's recent run-in with the U.S. Justice Department over anti-trust allegations and a threatened break-up, Hallman has a high regard for the company and its accomplishments.

"Clearly, Microsoft was, and is, the pre-eminent strategic company in the whole personal computer revolution," he says. "The key to the growth of the PC was having a binary standard that hardware and software companies could use for the de-



Davis Freeman

velopment of their products. Thousands of companies were allowed to grow and prosper in a much lower risk environment, because of the order and functionality Microsoft brought to the computing industry."

For consumers, the end result has been an incredible tool with applications in nearly every job and field of endeavor.

"When you combine this productivity with the wealth of information and the Internet, it's really mind boggling," says Hallman, who, at age 55, currently heads his own consulting firm, the Hallman Group, based in Redmond. He also sits on the boards of three public technology-oriented companies—Intuit Inc., InFocus Corp. and Network Appliance Corp.—and does consulting work for Fujitsu Ltd., Japan's largest computer company.

Looking forward, Hallman believes technology will continue to have a significant impact on the global economy and change will be inevitable. He also feels Business School alumni have an important role to play in supporting the academic environment that will spawn new leaders in the 21st century.

"It takes a lot of resources to develop support for and expand programs that are necessary in the discipline of business," he says. "After I left Michigan, I lost touch with the Business School until I was recruited for the Visiting Committee nine years ago. That re-engaged me, and I began to appreciate what it has done to create an incredible environment for business education and research."

**I**t's not delivered, it's DiGiorno!" Anyone who has watched TV in the last couple of years has seen the highly artistic and unforgettable commercials for DiGiorno Pizza. Advertising history undoubtedly will rank these among TV's most memorable ad spots. Much more important, though, is that DiGiorno Pizza sales are booming because the pizza happens to be very good; and that pleases **Mary Kay Haben, MBA '79**, tremendously.

Haben is the Executive VP of Kraft Foods and President of the Kraft Cheese Division. She oversees a significant portion of Kraft's 70 major brands and has helped it achieve the fastest growth rate of any major food company in North America. DiGiorno, now a \$400 million brand, is Haben's brainchild. But unlike her pizza's soaring sales, Haben is as down-to-earth as they come.

*In the Business School, we had to understand the concepts and the implications about how to add value to the knowledge.*

"I grew up on the northwest side of Chicago, the daughter of a policeman, and became a huge White Sox fan because they gave tickets to students for perfect attendance and straight A's," says Haben with a chuckle. She went to the University of Illinois for her BBA. "I wanted to go to a top-rated MBA program that would serve me well, so I looked at both Northwestern and Michigan," she says. "Northwestern was a little too close to home, but the deciding factor was football. After suffering through Illinois football, I chose Michigan. My initial impression was that everyone had made a huge investment in their education and they were all terribly smart,



Michael J. Schimpf

## More Than Just a Krafty Cheese Lady

*Mary Kay Haben, MBA '79*

and I was a little scared," she admits. "But it turned out they were all bright, accomplished people in a collaborative environment; I learned a lot from my fellow students."

Haben emphasizes Michigan gave her the knowledge and confidence and prepared her for what she was getting into. "I never felt any bias or that I was the only woman, and when I went to Kraft, my first

boss was a woman. Today, the head of the company is a woman and eight to 10 of the top people are women. If you look at the statistics, women have made progress, but not enough, but I think it's company specific," she emphasizes. "Some companies still just don't get it.

"We take our daughters to work, I teach Junior Achievement in classrooms and we

have accumulated more than 1,000 volunteers to teach in schools. I only wish we had some powerful women in the media so we could start some positive role modeling."

Haben is the perfect role model. She's been at the same company since 1979, and she's a leader rather than manager. "It's the leader's job to set the vision and goals for a group of people, get them fired up and be inspired by the challenge and then get out of the way and let those great, energized, involved people make it happen," she emphasizes. Her secret to being a results-producing leader is simple: Knowing you don't accomplish anything on your own. "The key things I like to focus on are building the business and building the people who will significantly grow the business. It's not a dog-eat-dog world here. Everyone is out for the same thing. We create synergy and opportunities, and we all win."

That attitude carries over to her family as well. Haben lives within walking distance of her office. In 1995 her husband retired as a bank examiner with the U.S. Comptroller of the Currency and stays home with their two children. "You make choices and accommodations. This allows me to maximize my time in the office and at home. My work and travel schedule would be very hard to maintain if my husband, Ed, were not at home." This comes from a woman who at the time of her wedding was brand manager of Philadelphia Cream Cheese. "Not only did we have a cheesecake wedding cake, but we had a sign next to it that said, 'On the biggest day of your life, isn't it silly not to use Philly?'"

"In the Business School, we had to understand the concepts and implications about how to add value to knowledge. You get that from the case study approach, not just facts and figures. Professor Prahalad used to show us that what we

# ALUMNI AT LARGE

## ALUMNI AT LARGE

first thought may not be right. He'd know what we expected, so he'd change it to get us thinking in another dimension.

"Within the company there's always the opportunity to do new things, and e-business has me learning all over again. As long as I'm having fun and contributing, I'll stay. You have to find something you really love and figure out a way to make a job out of it. And it shouldn't be an all-woman world either. There's tremendous diversity, and the companies that will be most successful will capture a lot of that diversity in the leadership ranks and make the most of it. As long as they remember that happy people are productive people."

## Do You Want to Be Hacked?

*Patrick J. Hynes,  
BBA '94*

Ask anyone who was affected earlier this year by the infamous lovebug virus. Or ask any online company that was shut down by denial-of-service attacks what they think of hackers and crackers. The answer is not likely to be polite.

On the other hand, if you ask **Patrick J. Hynes, BBA '94**, he'd tell you he would absolutely love to attempt to break into your computer system—for a price. Hynes is a manager in Ernst & Young's e-security solutions group, part of the growing Internet security business. He and his colleagues attack corporate computer systems to identify vulnerabilities and recommend solutions. And this friendly attack will cost your company between \$25,000 and \$100,000—far less than the cost of a typical denial-of-service attack.



"We've been incredibly busy since the beginning of this year," says Hynes. "Before it was Y2K and now it's security. Our reports are tailored to provide step-by-step solutions in business, not technical, language. Very important systems, such as credit card data, are our most important argument for protection."

Hynes was born and raised in southeast Michigan, graduated from Andover High School in 1990 and is the son of longtime WJR Radio personality Bob Hynes. He originally thought about following his father into radio and was Andover's radio program director. "I first started using computers in grade school," says Hynes. He went over to Apple, basic programming, then into Macintoshes and started using the Internet in 1990 with FTP and Gopher. That pretty much ended his radio career. "The Web started coming out when I

was a junior at Michigan, and I started teaching classes on how to use the Internet."

Hynes admits much of his knowledge is hands-on and self-

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*Computer security is an extremely serious issue, and companies would be well advised to ensure their systems are as secure as possible.*

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taught, but he also learned a lot while working at the Business School's computer lab. "EY received a phone call in 1995 from a client who was concerned a competitor had hired a hacker to break in and steal their data. I went to their office, started browsing around and was able to hack into another server in England. My partner and manager were impressed with my results. They sent me to Eng-

land to fix that problem and that's how it all started."

There is no such thing as complete security, of course; people are always coming up with new ideas. "But you would be surprised at how many major corporations don't look at their logs, have an emergency response plan or even consider security for their Web site," adds Hynes.

Hynes is getting more into management and expanding the Chicago practice, and last September married Andrea Potucek. They recently bought a house about a block from Wrigley Field. "The norm seems to be to stay somewhere for two years and move on, but I've been here for six years now and Ernst & Young has taken pretty good care of me," says Hynes. It's unlikely Ernst & Young would want Hynes to leave. "There are unlimited ways to help companies in e-commerce after you look at how to secure their site," he explains.

Computer security is an extremely serious issue, and companies would be well advised to ensure their systems are as secure as possible. "In one instance, we were able to hack into a company's database where people were providing their credit card numbers. The information was encrypted in transit, but was stored in an unencrypted database and we were able to download the entire database," explains Hynes.

Hynes also is the recruiter for their EY group. "I'm always back in Ann Arbor in spring and fall," he says. "I hired a Michigan intern this summer and another Business School student full time. I also still have my season football tickets." It's unlikely he'll be sharing any of those prized ducats, but if you'd like to talk with him about security, or send your congratulations on his new marriage and home, you can find him at [patrick.hynes@ey.com](mailto:patrick.hynes@ey.com).

**By Fred P. Wessells**



Michael J. Schimpf

# On **Testing** for Common Sense

*A Business School Thinks It Makes Sense. Yes? No?*

By David Leonhardt

*Reprinted from*  
**The New York Times**

*Wednesday, May 24, 2000*

**T**he story of the uninspired student who goes on to make a name for himself is practically a cliché. Winston Churchill was a notoriously poor test taker. Martin Luther King Jr. scored below average on every section of the graduate school boards, including verbal aptitude. Like many other corporate leaders, Richard Branson of the Virgin Group had trouble with standardized admission tests.

**I**t is a paradox that has long frustrated educators. They know that test scores often predict an applicant's academic performance on campus but are unreliable guides to career success. As a result, psychologists and corporate recruiters alike have longed for a systematic way to identify the campus goof-off who is destined to become a corporate chief executive or the class brain who is doomed to languish in middle management.

Now, for what may be the first time, a major university is using its own students and applicants in a concerted effort to unlock the mystery. In a challenge to the primacy of the standardized tests that millions of Americans have sweated over, the University of Michigan Business School is developing a test of practical intelligence, or common sense, that it hopes will do a better job of identifying future leaders than the Graduate Management Admission Test, or GMAT, does.

Michigan's new test leads students through an elaborate series of business scenarios that present hypothetical financial statements, press releases, news articles and other information. It then poses a central problem and asks students either

Michigan officials gave the test to MBA students entering last fall, and they plan to do so again this year. The school will then compare the students' performance on the test to track records at the school, from grades to extracurricular leadership positions to job offers, to see whether it is a valid measure of their ability to function in the workplace.

Once the correlations are more clear, Michigan intends to require applicants to take the test, possibly as soon as the fall of 2001, in addition to the GMAT.

"We need a better, fairer, broader way of measuring people," said B. Joseph White, the dean for the last decade at Michigan, which is one of the country's most highly ranked business schools. "We want to create an entirely new method of assessing incoming students for our MBA program in order to spot people who are going to have the highest probability of being successful."

Mr. White says his ultimate goal is a yardstick that will become a standard tool for admissions officers at business schools around the country. "There's some factor X that is critical to

people's success that I don't think we or any top business school is measuring," he said.

Outsiders say Michigan is fighting a difficult battle, even though some of its largest corporate recruiters say they think the test could be useful to them. Michigan could scare away some applicants by requiring them to take a second standardized test. And some people are skeptical that any form of test—as opposed to an interview, for example—can measure one's ability to interact with others, let alone the many variables that contribute to professional success. Determining the validity of such a test could take years and could be costly.

## The MBA X Factor

When *The New York Times* reported on a pioneering initiative to develop a test to assess vital leadership abilities not captured by traditional standardized tests, observers of the management education world were not surprised the effort was being undertaken by the University of Michigan Business School. After all, Michigan has a reputation for setting the tone among business schools for innovation—specifically innovation that blends intellect with leadership and a results orientation in its graduates.

The initiative was hatched by Jeanne Wilt, assistant dean for admissions and career development. She read Robert J. Sternberg's book, *Successful Intelligence* (1996, Penguin Group), and learned interviews and essays generally are not sufficient tools for assessing creative, practical and leadership abilities. According to Sternberg's research, it is possible to accurately test for this "x factor," and to do so without the cultural and racial biases that can cloud the reliability of other standardized tests.

If all goes well, a successful intelligence assessment will become part of the MBA application process. The new test complements the Business School's evaluation measures of intellectual ability, including grades and GMAT scores. It also yields valuable data on how the MBA program can continually improve to meet any developmental needs the test might identify.

Recruiters have endorsed the anticipated addition of the test to Michigan's admissions process. To them, it's another way Michigan is defining "best" in management education, consistent with the demands of the business world. That's a signal prospective students are unlikely to ignore if asked to take the one-hour test. Meantime, others, including a major national testing agency, say they may follow Michigan's lead.

*Dividend*

open-ended or multiple-choice questions: What do you see as the main problem in this situation? What information did you focus on? What obstacles, if any, do you anticipate?

The test aims to gauge who is able to learn from mistakes, handle changing situations and cope with less-than-perfect information—the same challenges, its designers say, that working people face every day.

"I certainly think it's a good endeavor, but it's very tough" to develop a new test, said Paul Danos, dean of the Tuck School of Business at Dartmouth.

Still, the effort is a boon to the group of educational psychologists who have argued for years that the Scholastic Assessment Tests are too narrow a measure to determine admission to the country's best schools and who gets first



Michael J. Schimpf

**“We need a better, fairer, broader way of measuring people,”** said B. Joseph White, dean of the University of Michigan Business School.

chance at the best jobs when they graduate. Robert J. Sternberg, a professor of psychology at Yale University who is writing Michigan’s new tests, says the traditional tests are “not going to tell you who has good ideas.

“They are not going to tell you who is going to have the practical ideas,” he added. “They’re not going to tell you who is going to get along with the boss.”

In the mid-1980s, Dr. Sternberg developed a concept he calls successful intelligence, or a combination of analytical, creative and practical intelligence. Solving a math problem or breaking down an essay requires analytical intelligence. Figuring out how to perform a task efficiently or how to win over colleagues to a point of view often involves the creative and practical forms, he says.

Over the last two decades, Dr. Sternberg has pointed to academic studies to argue that many people who display one form of intelligence lack the other. The ability of a range of workers, from garbage collectors to horse race handicappers, to solve problems as part of their jobs seems to have little to do with their scores on traditional standardized tests, according to the studies. Other psychologists disagree, saying that the connection between test scores and career success is significant.

Over all, though, “there is a growing concern that the tests we have been using provide relatively weak indicators of long-term success,” said Michael J. Feuer, the executive director of the Center for Education, a division of the National Research Council in Washington. In 1997, for example, a study of doctors who had graduated during a 20-year span from the University of California at Davis found no difference in career success between students who had been admitted with lower scores because of affirmative action and those admitted because of their scores on the medical school boards.

The debate over what intelligence tests should and do measure is nearly as old as the exams themselves. Alfred Binet, a French psychologist, invented the original version in 1905. As their use grew in the United States, researchers fiercely debated whether they were putting too much of a premium on academic skills, according to *The Big Test: The Secret History of the American Meritocracy* by Nicholas Lemann (Farrar Straus & Giroux, 1999), a history of testing.

Corporate America has often split the difference. Companies recruit fast-track employees at elite universities that rely on standardized tests, yet the companies tend to promote workers for traits, like calmness under pressure and persuasiveness, that do not show up on paper.

It is precisely these qualities that Dr. Sternberg and Mr. White say a written test can identify in a more rigorous way than interviews, essays or written recommendations can. That idea is the most disputed part of their effort.

Executives say that a valid test of practical intelligence could be a valuable tool in making hiring decisions, particularly because of the speed with which managers must now make decisions. “The biggest gap in organizations today, from top to bottom, is the ability to go from an idea to a decision to getting it done,” said John N. Fox, the vice chairman of Deloitte Consulting and a member of Michigan’s advisory board.

**T**he test, added Bruce W. Ferguson, the head of recruiting for the consulting division at Ernst & Young, could help companies figure out which job a recruit is best suited for. “It’s not a silver bullet, but it becomes an additional data point,” said Mr. Ferguson, whose firm’s consulting division hires 200 MBAs a year.

Even officials at the companies that administer the existing standardized tests say they are excited by the prospect of a test that tries to answer a different set of questions. “I’m keenly interested to see what they learn here,” said Howard T. Everson, vice president for research at the College Board, which oversees the Scholastic Assessment Tests and other exams.

Other business school deans remain skeptical that the new test will become a useful admission tool, though. The rationale for the test is that practical analysis is a skill that students inherently have or lack, said Donald P. Jacobs, the dean of the business school at Northwestern University. “I think I can teach you how to be practical, to use theory to come to practical solutions,” he said.

In the end, education experts say, Michigan’s test will succeed or fail based on its ability to make meaningful judgements about students. The key question, Dr. Feuer of the National Research Council said is, “What extent does this do a better job of predicting anything than the tests we currently have?”

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**When Stanley Frankel attended the University of Michigan, earning his AB and MBA in the 1960s, students traveled to Kalamazoo and Toledo to broaden their horizons.**

**Today it is a different story: MBA students may elect to participate in international assignments as part of their course work, gaining entrepreneurial experience in a global arena.**

**Many have this opportunity because of Frankel.**



Michael J. Schimpf

**L<sup>2</sup>G**  
**Local to Global**  
**Management Education**  
**Stanley Frankel**  
**Underwrites**  
**International**  
**Entrepreneurship**



“Not everyone wants to work in big business,” says Stanley Frankel, AB ’63, MBA ’64. “The one thing I missed in the curriculum when I was there as a student was the option to learn about entrepreneurship.”

Seven years ago, Frankel and his wife, Judy, made an anonymous gift to the Business School to further the understanding of entrepreneurship among students. They wanted their gift to be used for hands-on learning, a Business School version of the Law School’s moot court. Today, the University of Michigan Business School is five years into a ten-year grant from the Frankels that fully funds a third of MBA students’ annual international assignments.

To date, this gift has made it possible for 189 students to be sent on assignment to Israel to assist 49 Russian emigres, scientists or engineers eager to commercialize their inventions and new technologies. This winter, for example, three- to six-person teams were dispatched to conduct full-scale market analyses and prepare detailed market entry strategies for 16 new technologies, including a DNA-based vaccine, an ultrasound technology that computerizes the labor and delivery process, a software system that optimizes manufacturing equipment set-up for the semi-conductor industry, and an integrated, computerized management system for agricultural operations.

“These students are very serious, which is good,” Frankel says, “and they produce a great product.”

### ***The Michigan model, at home and abroad***

Michigan’s reputation for innovation is based in large part on its Multidisci-

plinary Action Projects or MAP, which became a requirement for all first-year MBA students in 1993. MAP departed from the conventional wisdom that management education was primarily theoretical and best learned in the classroom. With MAP, Michigan has institutionalized the belief that rigorous, practical fieldwork must follow traditional

*With MAP, Michigan has institutionalized the belief that rigorous, practical fieldwork must follow traditional learning if MBAs are going to graduate with the skills and capabilities required by business for leadership positions.*

learning if MBAs are going to graduate with the skills and capabilities required by business for leadership positions.

MAP is a 7.5-credit, seven-week endeavor. With 21 weeks of core courses under their belts, students bid on management consulting projects that are derived from a vast network of corporate relationships and have been carefully screened for business challenge and rigorous analysis potential. Matches are made with self-selected teams, administrators juggle the logistics (transportation, lodging) of sending approximately 350 students around the U.S. with specific charges and deadlines, faculty commit to virtually around-the-clock availability to the teams they advise and, finally, faculty advisors grade the project reports and teams present their findings and recommendations to their corporate clients. The Frankels support the international equivalent of MAP—IMAP and the Global Projects course, a three-credit elective for second-year MBA students.

IMAP and the Global Projects course were popular efforts among students when the Frankels first approached the Business School about making a gift. Because the focus of their gift was entrepreneurship, the initial proposals made to the Frankels were domestic in nature—and didn’t quite fit what the couple had in mind. Then, in 1995,

Dean B. Joseph White made a trip to Israel and visited the business incubators, which were bursting with new technologies but lacked the know-how to commercialize.

White wanted to provide assistance. He and Andy Lawlor, who heads both IMAP and the Global Projects course, made the proposal that won the Frankels’ hearts: Their gift would be used to fund MBA students to provide business consulting to Israeli-based start-ups within the IMAP and Global Projects courses. The student opportunities would be both entrepreneurial and international; the Frankels quickly agreed.

“The Israeli government had set up these incubators, which were very high-tech, very sophisticated, and Andy Lawlor came up with the idea of trying to put the three together—my gift, the IMAP and Global Projects programs and the start-up projects at the incubator,” Frankel says. “Judy and I decided this idea would be very good to support because it was good for the

Business School and, most important, its students. It also was good for Israel and good for the Detroit community, which was involved in various other aspects of the project.”

### ***No strings attached***

Stan Frankel will tell you Judy is the entrepreneur in the family. She owns and operates an antiques gallery. “I can’t even spell ‘entrepreneur,’” he will quip. Frankel prefers to describe himself as being in the “people business.” Frankel heads Frankel Associates, a privately held commercial real estate development and management company founded by his father. They are the owners and developers of the Somerset Collection, the tony shopping extravaganza in Troy, Michigan, that boasts Neiman Marcus, Saks Fifth Avenue and Gucci among others as well as office buildings, apartments, a hotel, townhouse complexes, a golf course and retail establishments.

“Our business—almost all business—is about people,” he says. “It is about how you deal with people either as an employer, a buyer, a customer, whatever. We are all in the people business; being in that business, it is all a matter of how good is your word. Do you do what you say you are going to do? Do you do it to the level and quality that you say you are going to do it?”

Stan and Judy Frankel consider themselves facilitators of the learning process. Their gift comes without strings. Their goal is to offer interested students a first-class opportunity to provide entrepreneurial consulting in a global arena and, if in doing so, one of the incubator projects hits the big time, so much the better. In 1996, IMAP and the Global Projects course sent eight students working on two teams to Is-

*“Our business—almost all business—is about people,” Frankel says. “It is about how you deal with people either as an employer, a buyer, a customer, whatever. We are all in the people business; being in that business, it is all a matter of how good is your word.”*

rael to consult with the inventors and then to various locations in Western Europe for data collection. Last winter, the courses sent 64 students to Israel and Western Europe in an effort to commercialize 16 projects. Here are two examples:

**Team 1**—provided a market entry strategy for a DNA vaccine against Infectious Bursal Disease Virus in poultry. Because veterinary vaccines are species and disease specific, the market is greatly fragmented. There are more than 200 licensed animal vaccine agents worldwide. Commercialization of a new product is further confounded by country-specific practices and regulations. It was into this environment that four MBAs set about the task of developing a plan to introduce the technology in Europe and the United States.

**Team 2**—worked with an inventor who had developed a computerized labor and delivery management system, a first-of-its-kind monitoring medical device that provides continuous, accurate measurement of cervix dilation and effacement, fetal head station and descent, and cervix consistency. The four-person team researched the medical device industries in the United Kingdom, Ireland and the United States, recommended strategic partners and defined plans for market entry in each country.

“**W**hen I met Stan Frankel, he told me he wanted to further entrepreneurship and ‘touch students,’” Andy Lawlor says. “Originally, his gift was to be an annuity and I was to have the benefit of the interest generated each year. When we came up with the plan to assist the Israeli incubator start-ups, he decided to make a significant, spendable gift every year for 10 years. Because of the Frankels, IMAP and the Global Projects course are tremendous and distinctly Michigan educational offerings.”

On April 30, during the University of Michigan Business School commencement exercises at Crisler Arena, Dean White acknowledged Stanley Frankel, the 2000 Distinguished Alumni Award recipient, for his exemplary business practices and longstanding community service as well as his support of IMAP and the Global Projects course. “Both programs encourage our students to be true citizens of the world by working in international settings,” White said. Then he asked those in attendance to recognize the members of the Class of 2000 who participated in IMAP and the Global Projects course.

Sixty-four cap and gown-bedecked men and women stood to resounding applause.

**By Cynthia Shaw**

# MICHIGAN INITIATES NATIONAL DEBATE: WHY AREN'T MORE WOMEN IN BUSINESS?

*Business schools and organizations must take proactive measures to encourage women to consider business careers, recruit them for MBA programs and support them once they enter the workforce, says the landmark study Women and the MBA: Gateway to Opportunity.*

**T**HE STUDY IS THE CULMINATION OF A TWO-YEAR RESEARCH EFFORT conducted jointly by the University of Michigan Business School, the Center for the Education of Women and Catalyst, the premier nonprofit research organization for women in business. The idea for this first-ever study came from the Business School and is designed to serve as the centerpiece of its Women in Business Initiative, a broad-based effort to increase the number of women in business and make Michigan the business school of choice for women (see story, page 29).

## *Gathering the facts*

Nationwide, women's enrollment at top-tier business schools has leveled off at 30%, well below the 44% female enrollment in leading law and medical schools. What's more, women are still under-represented in the top ranks of corporate management. By understanding the underlying factors affecting women's choices in business schools and their careers, educators and business leaders hope to develop effective strategies for change.

"This is the first time we have ever talked to a large group of MBAs—women and men—from different business schools," says Jeanne Wilt, assistant dean for admissions and career development at the University of Michigan Business School and an author of the study. "We now have a clear indication of what schools and businesses can do to get women more interested in business careers."

Researchers surveyed 1,684 men and women who graduated from MBA programs at 12 top-tier business schools between 1981 and 1995. Nine focus groups composed of 66 high-achieving women who were not business majors also provided input. The vast majority (95%) of MBA graduates, regardless of gender, race or age, report either "very satisfied" or "somewhat satisfied" with their business-school experience and the value of their MBA to their careers. This was good news for business schools.

## Negative perceptions persist

However, fewer women than men say they feel “included” in business-school environments. Female respondents attribute this to: (1) a lack of opportunity to work with female professors (39%), (2) an overly aggressive and competitive environment (27%) and (3) perceptions that women are less qualified for business school (20%). Interestingly, one in five men also thought the business-school environment was too aggressive.

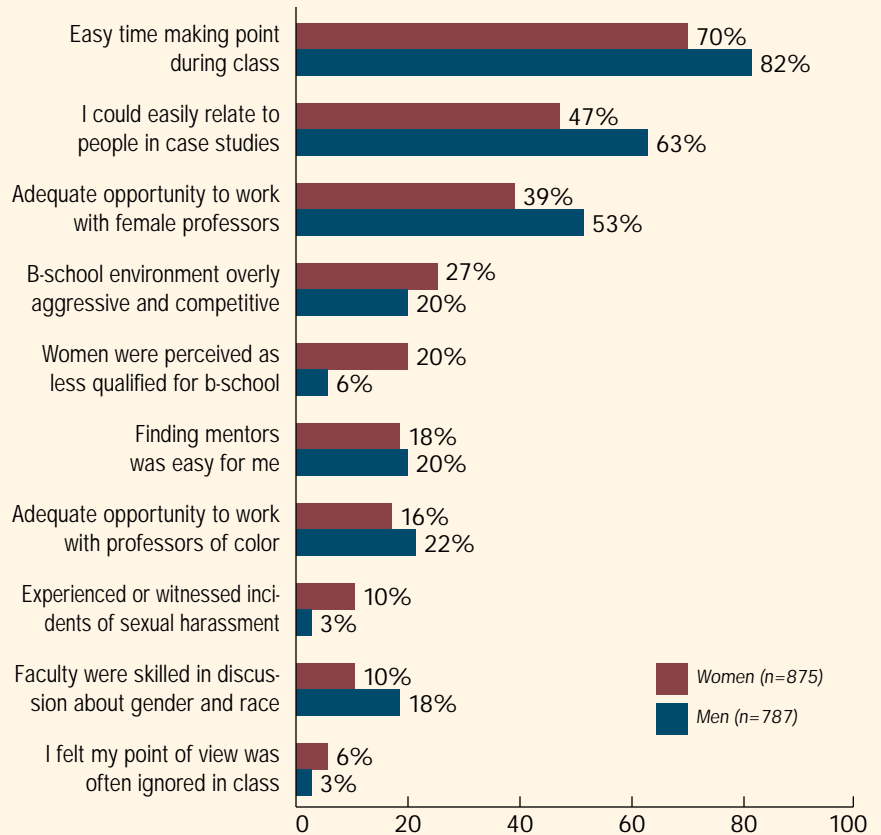
The central problem appears to be women’s negative perceptions of business and business careers in general. Numerous factors discourage women from pursuing MBA degrees. Of the women sampled, 56% cite the lack of female role models, and 47% consider business careers incompatible with work/life balance. Lack of math preparation (38%) and less encouragement from employers to pursue MBA degrees (42%) also are contributing causes. African-American women say they face additional hurdles, including lack of encouragement from employers to pursue an MBA (59%) and the lack of math preparation (50%).

Many women are simply unaware of the value and portability of an MBA degree and the rewards of a successful business career despite the high career satisfaction reported by female survey respondents. The perception of business as an old boys’ network prompts twice as many women (38%) as men (17%) to conclude that women may not pursue MBAs because they are less likely to see a financial return.

## Michigan works to make a difference

**Rebecca Preston, MBA 2,** is not one of these women. She decided to leave her job as an associate consultant

## Business School Experience, by Gender (percent strongly agree/agree)



Source—Women and the MBA: Gateway to Opportunity

with Environ International Corp. in California to earn an MBA. She scouted potential business schools for a graduate curriculum that enabled her to combine her background in environmental science with an advanced business degree. Equally important was a supportive collegiate environment, one that would support her career needs as a scientist and woman.

Michigan offered Preston the opportunity to enroll as a joint-degree student in the Corporate Environmental Management Program (CEMP) and pursue both an MBA and a Master of Science degree in environmental science. It was the Women in Business Initiative that clinched her decision.

As part of the initiative’s outreach program, Preston attended a reception in San Francisco, hosted by a Business School alumnus. At the gathering, Preston was able to talk with female representatives from the Office of Admissions and mingle with other Business School graduates. This highly personal interaction convinced her Michigan had made a firm commitment to recruit and support women in its MBA program. “I was very impressed by the women associated with the Business School,” she says.

The study offers hard data to support the notion that Rebecca Preston’s experience needs to be expanded and replicated. The study suggests MBA programs:

- Educate girls and women about business school and business career opportunities
- Aggressively recruit women through personal contact, mentoring and financial support
- Provide more female role models in business and business school
- Dispel perceptions that business and business school are incompatible with work/life balance
- Improve women's preparation in math and increase their confidence in their quantitative skills
- Urge employers to encourage women to pursue MBA degrees
- Identify motivations for entering the business world other than money
- Emphasize the wide-ranging benefits and positive financial return on investment in an MBA
- Help women select undergraduate degrees, such as business and economics, which are "key feeders" into MBA programs and work experiences that are more conducive to business careers

### *Alumni: a committed resource*

In growing numbers in cities large and small, Michigan alumni are participating in outreach through mentoring, networking and scholarship efforts. "The network of colleagues and other alumni is a tremendous resource for business alliances, career development and new job opportunities," says entrepreneur and business consultant **Deborah Gage, MBA '86**, who recently hosted a reception for graduates and women business leaders in Dallas to learn more about the results of the study.

These women also play an important role by helping the Business School create programs and cultivate

*The bottom line is that women have made and are making immense contributions to business and, in turn, the economic welfare of this nation. With greater access, they could do so much more.*

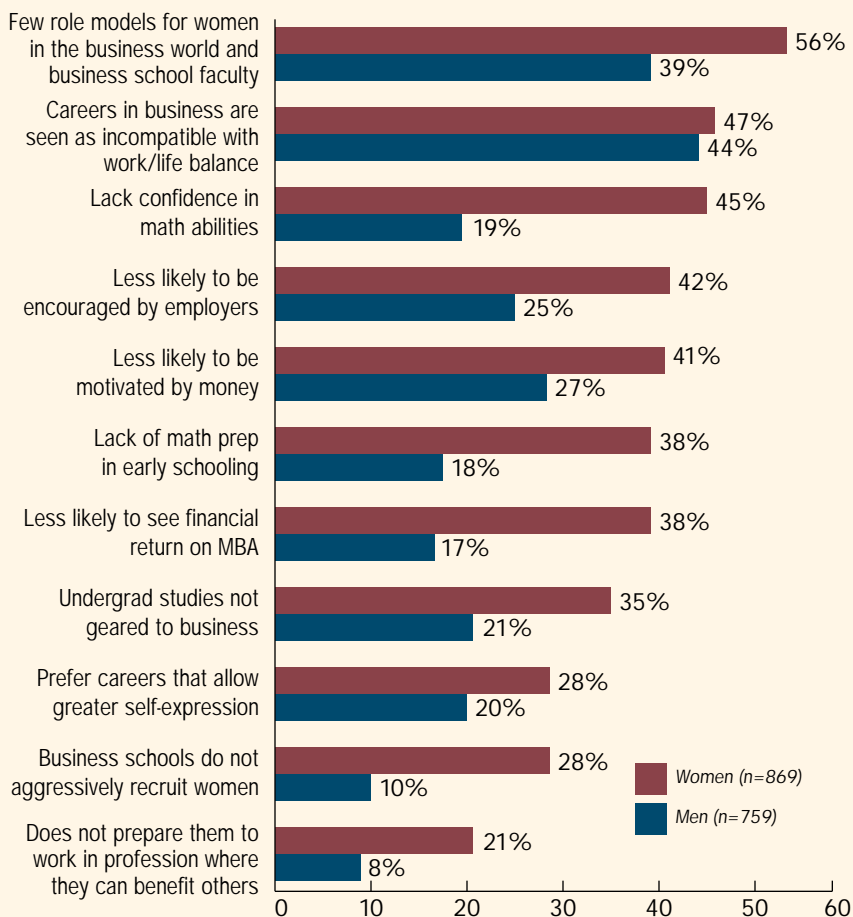
an environment that appeals to women and encourages them to seek an MBA at Michigan, says Gage, who is a member of the Alumni Board of Governors.

"Business schools have traditionally appealed to men and women seeking positions in large corporations, and the MBA has not been deemed relevant to entrepreneurs," she says. "As a practicing entrepreneur, I believe it is even

more important for people who want to be entrepreneurs to have an MBA. In a small company, you have to rely more on yourself, and you need a broad business basis."

Last spring, **Michele Takei, MBA '74**, and her husband Edward Unkart decided to single-handedly improve the environment for women pursuing business degrees at Michigan and

## Reasons Why Women May Not Pursue an MBA by Gender



Source—Women and the MBA: Gateway to Opportunity



Michael J. Schimpf

**Jeanne Wilt**, *assistant dean and an author of the survey.*

established a first-of-its-kind endowment fund to provide an annual scholarship award for out-of-state, first-year MBA women from the western part of the country. "I want to encourage women, especially minority women, to go to the University of Michigan Business School," says Takei, senior treasury manager for Sun Microsystems in Palo Alto, California.

She cites the "distance gap" between the west and Michigan, the "aging of the MBA class," the reluctance or inability of women to relocate for two years and the higher cost of out-of-state tuition as motivating factors for the endowment.

It is an important start. Assistant Dean Jeanne Wilt hopes to raise funds for more scholarships, programs and conferences for women. With Dean B. Joseph White's full support, she is working with companies and business schools to determine how to collaborate most effectively.

"Since the choice to attend an MBA program is so linked with a person's perceptions of a business career, we want to explore ways to work with businesses to reach out to girls and

## Women Have Fewer Female Role Models

Women cite the lack of strong, successful role models, both at business schools and in the business world, as the leading deterrent to business school enrollment. Female survey respondents cite a lack of female role models as the main deterrent to women entering MBA programs (56%). Male graduates rate this deterrent second (39%).

The lack of women role models in business school mirrors the lack of role models in the business arena. While women comprise nearly half of the U.S. labor force and are 49% of managerial and professional specialty positions, only 11.9% of corporate officers are women. To date, there are only three female CEOs in the Fortune 500.

### Women in Business



women to inform them about the careers available with a business education," she adds.

"The bottom line is that women have made and are making immense contributions to business and, in turn, the

economic welfare of this nation. With greater access, they could do so much more. We, at the University of Michigan Business School, want to lead the way."

**By Claudia Capos**

The study surveyed MBA graduates from the University of Michigan Business School, Columbia University, Dartmouth College, Duke University, University of California at Los Angeles, Massachusetts Institute of Technology, New York University, Stanford University, University of California at Berkeley, University of Chicago, University of Pennsylvania and the University of Virginia.

The study's 13 corporate sponsors were: Amoco, Chase Manhattan, Citibank, Cummins Engine, Deloitte & Touche LLP, Eli Lilly, Equity Group Investments Inc., Ford Motor Company, Kraft Foods, McKinsey & Company, Motorola, Procter & Gamble Company, and Whirlpool Corp.

# A LEAGUE OF ONE'S OWN

## *Committee of 200 Co-sponsor Annual Women in Leadership Conference*

One MBA student likened the experience to watching the Olympics: Before attending Michigan's Annual Women in Leadership Conference, she had never seen so many high-powered businesswomen in action at once. "The conference was inspiring and helped me raise my sights in terms of where I could go and what I could do," says Rebecca Preston, a second-year MBA student.

Last March, the annual Women in Leadership Conference was co-sponsored by the Committee of 200 (C200), a national organization that has grown to 400 women business owners and executives. The event represented a major coup for Michigan Business Women, the student group that organizes the event, as well as the blossoming of an important relationship between the Business School women and members of C200.

The relationship took root at the 1999 conference, when Connie Duckworth, C200 education committee chairwomen, managing director of Goldman Sachs & Co. and CEO of MuniGroup.com, a new business-to-business, third-party Internet start-up company, was awarded the Business School's Women in Leadership Award. One of the committee's objectives is to

encourage and support entrepreneurship among women. Each year, the group targets programs and conferences where C200 members can serve as speakers and sources of inspiration to women who are interested in starting business careers. Co-sponsoring the Women in Leadership Conference was a natural for the organization.

### *Planting the seeds*

Michigan's high-caliber students, diversity, innovative educational approach and potential for collaboration among its highly rated professional schools make it "fertile ground" for C200 programs, Duckworth says. "Women have a tremendous interest in entrepreneurship, but historically have not had access to capital funding and other resources. As a group, we feel very strongly that it is important to give back and to make the road easier for the next generation of women. That is what drives the educational and mentoring focus of our initiative."

The membership of C200 is impressive: 70% are entrepreneurs who run businesses with revenues exceeding \$15 million; 30% are corporate leaders who are in top management at leading companies and in divisions generating

\$100 million or more. To underscore their commitment to supporting and empowering women, the organization annually gives a \$25,000 tuition scholarship to a deserving first-year MBA student. This year, when the scholar selection committee interviewed Michi-



**Connie Duckworth, Goldman Sachs & Co.**

gan's three semi-finalists, they voted unanimously to award full \$25,000 scholarship packages to each: Rebecca Preston, Suzanne Watson and Jane Li. The women also received 10-week paid summer internships with a C200 member company and an all-expenses-paid invitation to the annual C200 fall conference. (See profiles, pages 30 and 31.)

“The Women in Leadership Conference was the most powerful and impactful conference I have ever attended—it was incredible,” Watson says. “The women who spoke were very focused on business, very dynamic and very proactive. They emphasized the positive aspects of leading companies in a dynamic environment.”



Michael J. Schimpf

**Bernee Strom, Infospace.com**

Jane Li, a native of the People’s Republic of China, says the conference helped her quantify the adjustments she would have to make in order to pursue a business career in the United States. “I learned there will be a cul-

## *Rebecca Preston*

Cruising the California coastline to conduct geologic research and manage field projects was not such bad duty, Rebecca Preston readily admits. Yet, the Portland, Maine, native found her geological science degree from the University of Colorado limiting.

“Most problems I encountered were associated with corporations, and most people I dealt with were business people,” says Preston, 25, who worked for the U.S. Geological Survey and, later, the San Francisco branch of Environ International Corp. An MBA degree, she realized, would help her use the power of business to create a better world.

At Michigan, Preston found the “perfect marriage of the two disciplines” in the Corporate Environmental Management Program (CEMP) and countless leadership opportunities, including a William Davidson Institute-sponsored project at CONEL, the Romanian Power Authority. She also became president of the Ann Arbor chapter of Net Impact, an organization that promotes socially responsible business.

Citing Preston’s aspiration to impact global business in an environmentally conscious and socially responsible manner, the Committee of 200 selected her as a recipient of its annual C200 Scholar Award.



ture change and competition with males,” says Li. “I also learned how to be assertive as a woman and how to be myself, which is most important.”

## *Doses of reality*

This conference’s keynote speaker was C200 member Bernee Strom, president of Infospace.com, who related her own “Tales of a Serial Entrepreneur.”

“No career is perfectly planned,” Strom told her listeners. “The only thing certain in life, and certainly in my life, is change. It has been frequent,

unexpected and unplanned.” Strom recounted her roller-coaster career track, which has run the gamut from consulting at a Big 8 accounting firm and heading a metropolitan daily newspaper’s circulation department to starting Internet companies and sitting on the corporate boards of several companies.

Throughout her animated narrative, she conveyed her belief in life-long learning, new challenges and envisioning goals and success. As a parting shot, she advised, “Do not be afraid to be different, to stand out, to excel, to be contrary when it’s required, to take an unpopular point of view and to defend what you know is right. Because at the beginning of the day, not at the end of the day, you have to look in the mirror and like the person you see.”

During the conference, C200 member Barbara Mowry, CEO of Requisite Technology, was presented with the annual Women in Leadership Award. Tracing her career, which started with a three-year stint as a flight attendant prior to receiving her MBA from the University of Minnesota, Mowry recounted her early success in developing United Airlines’ Mileage Plus frequent-flyer program into a highly

## *Jane Li*

Leaving her home in Nanjing, China, two years ago to join her husband Wayne Yao in Los Angeles was a big step for 30-year-old Zhen Zhen Li, better known to her classmates as Jane. She studied international business and relations at college in Beijing, but decided Michigan’s MBA program, which focuses on many different areas of business, would prepare her for a greater range of career choices.

“After graduation, I plan to work in the United States for several years and then move back to China with my husband to set up my own business consulting and investment firm,” says Li. “My aspiration is to help women.”

In China, she intends to resume her activities with the All China Women’s Federation and to work to elevate the position of women in business. Li also wants to become involved in Project Hope, an educational project aimed at helping children, particularly young girls, in poverty stricken areas.

The \$25,000 tuition scholarship Li received from C200 will go a long way toward helping her reach those goals, she says.





prized branding and relationship-marketing business.

Her natural affinity for doing “things that have never been done before” prompted her to create her own entrepreneurial ventures and led her in 1997 to Requisite Technology, then a struggling Internet start-up with “a completely dysfunctional management team and an unworkable business model.” Within two years, Mowry turned around the company, which now has 380 employees, three overseas offices and a new



**Barbara Mowry**, CEO of Requisite Technology, receives the 2000 Women in Leadership Award from Erica Christenson and Patricia Glaza, co-presidents of Michigan Business Women



**Dayna Gossett**, conference director, Michigan Business Women

management team, half of whom are women. “Every company has its own story, and it’s almost never possible to get it right the first time,” observed Mowry. “It is a journey, and as long as you can see where you think you’re going, it’s about how you get there; unfortunately, it’s never a straight line.”

## Next steps

C200 and Business School faculty are developing a proposal for a seven-week MBA course taught in conjunction with C200 members. The new course will focus on entrepreneurship and strategy, according to Karen Bantel, adjunct associate professor of corporate strategy and international business.

C200 members are eager to provide role models for women and encourage them to seek careers in Internet companies and high-tech start-ups.

“Women are under-represented in the high-potential, new-venture world,” says Bantel. “It is important for them to have role models—individuals who have been successful in business, but who have been able to live a balanced life.”

Reflecting on the expanding opportunities for women at the Business School and in the business world, **Roslyn Payne, BBA '68**, says, “I think there has been terrific progress since I graduated in 1968...but that

doesn’t mean there isn’t more to accomplish.” Women, she notes, are still in a minority in senior corporate leadership positions, and those who have selected alternative entrepreneurial career paths often require additional skill sets in order to succeed.

“I think business needs all the talent it can muster,” adds Payne, who is president of Jackson Street Partners in San Francisco and a Visiting Committee member. “With their enthusiasm, creativity and a lot of hard work, women will expand the talent pool; and that benefits all of us.”

By Claudia Capos

## Suzanne Watson

Suzanne Watson, 25, selected Michigan for her MBA studies with the expectation it would enhance her decision-making framework and increase her breadth of knowledge. “I feel the diversity among my peers and professors here offers a substantial and rewarding base for learning, inside and outside the classroom,” she says.

Watson, who held marketing jobs with Reebok International and Hasbro toy company after graduating from Syracuse University four years ago, says her goal is to manage a consumer-products business, her own company or a Fortune 500 firm, and to be the key decision-maker for a consumer brand that affects the lives of many people. “I have an interest in enhancing women’s performance in sports and athletics,” explains the six-foot former guard, who received a full scholarship to play on Syracuse’s Division 1 women’s basketball team.

Watson’s selection for C200’s \$25,000 tuition scholarship was partly based on her own commitment to mentoring other women. She is chair of the MBA Mentors Program and co-president of Michigan Business Women, which is launching an executive mentoring program for MBA students and executive women in the workforce. She also mentors young girls at Scarlett Middle School in Ann Arbor, in the hope of “opening their eyes to possibilities in schooling and careers.”



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# Did You Know Midas

## ***Dixon R. Doll Uses His Special Touch to Grow the Endowment***

In the great race to grow school endowments, Dixon R. Doll is the University of Michigan Business School's Midas.

Doll, founder of San Francisco-based Doll Capital Management, an early-stage venture capital firm with more than \$1 billion in assets, is perhaps the most successful VC in the telecommunications industry. He's a Michigan graduate with a master's and a Ph.D. in electrical engineering, a member of the Business School's Visiting Committee and its advisory board for the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, and the proud parent of two Michigan MBAs. Since 1989, Doll has served as a manager of the Business School's Growth Fund, an autonomously run fund sanctioned by the University Regents for investing small amounts of money in high-growth ventures. As the Business School works to be in the top five for endowments, Doll's investment prowess has served as a catapult. "Dixon Doll has been pivotal in growing our endowment from several hundred thousand dollars a decade ago to more than \$230 million today," says Dean B. Joseph White.

*Doll resides in California but maintains a summer home in Harbor Springs, Michigan, where he and his family gathered this past Fourth of July and enjoyed his new Boston Whaler.*



Michael J. Schimpf

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# Was a Wolverine?

**D**oll brings expertise, access and passion to his volunteer investment activities. As a new Ph.D. in 1969, he went right to work for a venture-backed modem company in Ann Arbor and commuted to New York City a few days each week to teach telecommunications at the IBM Systems Research Institute. Within a year, the Ann Arbor start-up went “belly up,” as Doll describes it, while he continued for nine years to teach at IBM. “Nothing causes you to learn a subject better than having to teach it to really smart, highly motivated students. It was a marvelous experience and it led to my book, *Data Communications*, which was published in 1977,” says the former National Science Foundation scholar.

His year and a half with the unsuccessful start-up was equally instructive. As manager of systems engineering, he witnessed the downside of bad hiring decisions and limited marketability. Most important, however, he saw that when venture capitalists do not pay attention to the goings-on of their companies, entire investments can be lost.

Doll, who had taken Business School courses while working on his doctorate, co-founded in 1972 The DMW Group, an international strategic consulting firm serving the telecommunications and networking industries. Twelve years later, he was ready for a change and sold his interest to his partner. “My theory is that everyone who is in the consulting business for a long time sooner or later gets frustrated with the business model,” he says. “They want to earn more money or improve their lifestyles. To do this, they transform themselves into product companies or other forms of leverage that will allow an end game valuation of more than two or three times revenue.”

With his extensive international professional network within the telecommunications industry, a technical understanding of the technology that few possessed, insight into countless companies he had consulted for and intimate early experience with failure, Doll proved to be an attractive partner for many Silicon Valley entrepreneurs anxious to start new networking companies. Already he had companies like Bridge Communications (later acquired by 3Com) and Network Equipment Technologies to his credit. He decided to

devote the next phase of his career to early-stage venture capital. In 1985 he co-founded the venture capital industry’s first telecom-focused fund, the \$40 million Accel Telecom fund. Under his direction, the fund performed in the top quartile of its peer group for the next 10 years, its entire life—a clear success given the climate then for early-stage telecommunication ventures.

**I**n 1996, Doll founded Doll Capital Management, setting up shop on Sandhill Road in San Francisco, the VC corridor of the universe. He is a hands-on investor. Doll cherry-picks his investments, focusing on early-stage ventures in communications, networking and the Internet. “We try to have a prepared mind-view about the way the world is changing and what the big macro trends are in the industry. As a firm, we articulate this strategy every time we raise money for a fund.” His firm recently began investing a new \$50 million fund, DCM III, that continues its proven theme of backing early-stage communications and Internet infrastructure companies such as Foundary Networks, InterNap, About.com and Ipivot.

Doll’s strategies have paid off handsomely for his many investors, including the University of Michigan Business School. Through his efforts, an initial allocation of \$300,000 in 1989 has grown to nearly \$15 million as of mid-August. The Business School has invested alongside all three Doll Capital funds as well as Accel and Sequioa. Most recently, the Business School invested directly in Foundry Networks, which had the highest first-day IPO aftermarket performance of any profitable company in history.

“It is so much fun from my perspective to take the Business School’s funds and multiply them,” says Michigan’s man with the Midas touch. “I can make the money on my own and then turn around and give it away, which I have done a bit of as well, but it is much more rewarding and fulfilling to do it this way. To grow the endowment in this manner, you have to be in the main ballroom, on center stage. I’m able to give the Business School this access.”

**By Cynthia Shaw**



Visit the online photo gallery at [www.bus.umich.edu/alumni/photogallery/golf2000/](http://www.bus.umich.edu/alumni/photogallery/golf2000/)



# GOLF C

# 20



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of Michigan  
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## LOS ANGELES

Alumni and guests joined Club of Los Angeles president **Harry McElroy, MBA '78** (third from left), at the First Annual E-Merge gathering in February.

## NEW YORK

On June 29, more than 100 alumni, current and admitted students and guests attended a presentation by Allan Afuah, assistant professor of corporate strategy and international business, titled "Why the Slide in Share Values after Internet IPOs?" The event was held at the offices of PricewaterhouseCoopers and sponsored by the Club of New York. Club officers **Rohit Bery, MBA '97**, **Chris Parlamis, MBA '99**, and **Manny Valencia, MBA '99**, helped organize the event.

Also in June, more than 30 alumni and students from the classes of 1999, 2000, 2001 and 2002 attended a Yankees-White Sox game at Yankee Stadium. Despite a Yankees defeat, **Cecil Shepherd, MBA '00**, reports great fun all around: "We even had the message 'The Yankees Welcome the University of Michigan Business School' posted on the scoreboard between innings!"

Throughout the summer, **Sherry Lee, MBA '00**, and classmates organized several social events for alumni and students.



## MEXICO CITY

**Gerardo Ruiz, MBA '99**, and other Business School alumni and guests joined interns and incoming students for dinner this summer. In addition to Gerardo and his wife Montserrat, attendees included **Mauricio Alvarez, MBA '97**, **Enrique Arguelles, MBA '98**, **Laura Ehnis, MBA '94**, **Ramon Farias, MBA '94**, **Avec Gomez, MBA '02**, **Francisco Jimenez, MBA '01**, **Alonso Leon de la Barra, MBA '99**, **Federico Martinez, MBA '00**, **Luis Rivero, MBA '01**, **Jose Luis Salinas, MBA '02**, **Miguel Angel Sanchez, MBA '99**, **Fernando Silva, MBA '02**, and **Martin Vargas, MBA '02**.

## WASHINGTON, DC

In April, the Club of Washington, D.C., hosted **L. William Seidman, MBA '49**, former chairman of the FDIC and chief commentator for CNBC-TV's *Business News*. **Judy Spector, MBA '79**, organized the "Evening of Finance." Judy has succeeded **Mike Weber, MBA '91**, as club president.



## CHICAGO

**Christopher Schwalbach, MBA '01**, University of Michigan Business School Club of Chicago President **Norman Sigler, MBA '92**, **Jeff Prus, MBA '99**, and **Mike Crescenzi, MBA '99**, were among more than 100 Chicago-area alumni who gathered in June at Deloitte Consulting for a presentation by Thomas C. Kinnear, the Eugene Applebaum Professor of Entrepreneurial Studies and director of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies.

## ALUMNI ACTIVITIES



### SAN FRANCISCO (at left)

Alumni, current students and guests gathered in Burlingame, California, in May for a presentation by Thomas C. Kinneer, the Eugene Applebaum Professor of Entrepreneurial Studies and director of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, titled, "Winning the Market Space Game." Members attending included President **Bob Feller, MBA '96** (second from left), Nessa Feller, **Renee Esquivel, MBA '96**, Past President **Eva Chang, MBA '93** (second from right) and Past President **Jodi Klein, MBA '93**.

Social Chair **Chuck Hornbrook, MBA '98**, organized several events for alumni in the Bay Area this summer, including a trip to the San Francisco Museum of Modern Art and a happy hour at Portrero Brewing Company. The club also held its Annual Picnic at Mitchell Park in Palo Alto on July 30.



### PERU

Linda Lim, professor of corporate strategy and international business, dined with Carlos Meigar, **Barbara Quiñones, MBA '97**, and **Fernando Fort, MBA '96**, during a recent visit to Lima.



### SINGAPORE

**Nathaniel Chua, MBA '93**, **Stephen Ng, MBA '97**, and **Serena Hu, MBA '93**, joined Linda Lim, associate professor of corporate strategy and international business, for dinner last March.

### PARIS



Alumni, students and faculty gathered last winter at the Paris residence of Cyril and Martine Pineau-Valencienne. Pictured above are **Francois Buisson, MBA '74**, and **Jean-Louis Huchant, MBA '75**.

For a calendar  
of upcoming alumni  
events, visit  
[www.bus.umich.edu/  
reunion2000/e-all.html](http://www.bus.umich.edu/reunion2000/e-all.html)



## CLASS NOTES

1950

### George E. Gerbstadt, MBA '50

was recalled into the Air Force immediately after graduation and served as a First Lieutenant during the Korean War. Afterward, he spent a couple of years with Gar Wood Industries and then went to Ford Motor Company as an engineer, where he worked in various related capacities for 39 years, retiring from Ford in 1994. Since retirement, George has been active in real estate development and property management. He is married to the former Grace Foster, class of '48, and they have three adult children. Terry graduated from MSU in 1970 and is a meteorologist with Channel 11 in Colorado Springs. Gary graduated from UM in 1972 and is an auditor with the IRS in Atlanta. Glenda graduated from UM in 1976 and is a CPA and real estate broker in Ann Arbor, and active in alumni activities. George and Grace live in nearby Plymouth.

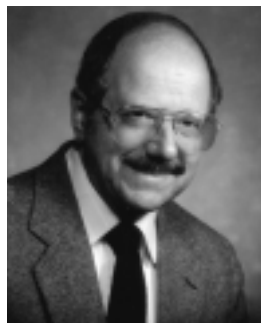
### John C. Seitz, BBA '50

is retired and living in nearby Farmington Hills. You can reach him at JackCSeitz@aol.com.

1960

### Daniel M. Arnold, BBA '60

"Spouse Jane Hirsch Arnold and I continue to continue," says Dan. "We were married in 1961, have four children who are all married, and five grandchildren so far. We continue our connections to Ann Arbor and visit annually. Though active with the Math Department (and new home of the actuarial science program), I continue my loyalty to Michigan's Business School—my roots." Dan continues as VP and consulting actuary with Hooker & Holcombe in West Hartford, Conn. You can reach him at DanArnold@csi.com.



### William C. Durant, BBA '60

is now working in residential real estate in the resort community of South Haven on the shores of Lake Michigan, where his family always vacationed in the summer, reports Bill. "I permanently moved to South Haven after selling the florist business multi-store operation in Ypsilanti-Ann Arbor-Dexter after 35 years," adds Bill. "I would welcome contact from former business school friends." To just say hello or to purchase

that dream vacation home, you can reach Bill at bdurant@cybersol.com.

1962

### Norman J. Kotarski, BBA '62, MBA '63

retired from Ford Motor Credit Company in 1996 after more than 30 years service. He currently tutors senior citizens in computer basics, primarily the Internet, e-mail, Windows and word processing. He and his wife Maxine belong to the Nomads travel club and enjoy travel immensely. Daughter Kathleen, also a Michigan grad, works on the Internet development team at EDS. Norm and Maxine live in nearby Northville and can be reached at normster.35@gateway.net.

1966

### James C. Folger, MBA '66

is a partner in his own business development and marketing strategy healthcare consulting firm, TEAM Consulting Group. Jim and his wife Susan moved to Cedaredge, Colo., last year, purchased a historic log home built in 1891 on two acres and converted it into the Log Cabin Bed & Breakfast. They would love to have a visit from any Michigan alums. Check out their accommodations at www.logcabinbedandbreakfast.com, and then e-mail your reservations to logcabin@gjct.net.

### Richard C. Wells, BBA '66

recently was appointed vice president of sales and marketing for Formation Inc., a solutions engineering company specializing in communications and multi-media, located in Moorestown, New Jersey.

1968



### Norman A. Pappas, BBA '68

founder and president of The Enterprise Group, which is celebrating its 30th anniversary this year, focuses on wealth transfer, business succession, employee and executive benefits, and retirement and investment strategies. He has just authored *Passing the Bucks: Protecting Your Wealth from One Generation to the Next*, a greatly detailed, but easy to read and understand book that covers Business Succession Planning and Estate Planning. For more information on Norm's services and his book, contact

npappas@theenterprisegroup.com or visit their Web site: www.theenterprisegroup.com.

1972

### William E. Bjork, MBA '72

joined A. G. Edwards & Sons Inc. in Grand Rapids in May 1999. Prior to that, he served as a correspondent and commercial lending officer and partner with a large international public accounting and consulting firm. You can contact Bill at bbeyork@aol.com.

### Thomas M. Hresko, BBA '72

was recently promoted to VP-sales for the Magic Solutions Division of Network Associates. "Our division makes a B2B, Web-based application development software product. Current applications are help desk, call center management and customer relationship management," says Tom. "My biggest challenge is recruiting salespeople in Chicago, Dallas, New York and Santa Clara, since we double in size every six months. If any software-knowledgeable Wolverines are interested, please contact me at TomH14@mindspring.com."

1974

### James K. Doty, MBA '74

was recently promoted to vice president, rail-car marketing, for Union Tank Car Company in Chicago. He has marketing responsibility for leasing and sales of new railroad tank cars and plastic covered hopper cars, as well as for sales of interior coatings for new tank and hopper cars. "Let's see more news from the Class of '74," suggests Jim.

1975



### Narendra Goel, MBA '75

is director of SER Infotech, which conceives, designs and implements e-commerce Web sites for clients in India. Narendra, who is located in Mumbai, India, says, "I would welcome business proposals from all Michigan alumni." Send your proposals to nareng@vsne.com.

### Bob Kosobucki, MBA '75

"In the interest of encouraging my classmates to write, I'm writing for the first time since graduation," says Bob. "My wife Deborah and I have been in the Dallas area for about five years. I'm with Optek Technology, a \$100 million manufacturer of semiconductor sensor

products, where I've been VP of sales and marketing and now am VP of engineering and operations. We travel when possible, and enjoyed pre-Christmas activities in Prague, Vienna and Budapest and then our annual ski vacation. I'm planning to attend the 25th reunion in October. Hope to see you there."

### Marilyn A. Opdyke, BBA '75

"In January 1999, I left the corporate arena to start my own consulting firm, specializing in human resource issues. After my first full year, we're doing great," says Marilyn. "I love working for myself, especially when I can really serve the client by doing so." To set up a consultation, contact Marilyn at marilyn@opdykegroup.com.

### David W. Riddell, MBA '75

"I'm still enjoying consulting after 25 years with Watson Wyatt. Two years ago I was able to spend a three-month sabbatical with my wife Kathy and children Katie and Andy. Our firm is looking toward its IPO, which will be a big change from 50 years of employee ownership," says Dave. "We're looking forward to the challenges and are excited to be actuaries as companies face the issues associated with an aging baby-boom generation."

## 1978



### Bradford S. Adams Jr., MBA '78

recently was named senior vice president at Northern Trust Company in Chicago. He serves as director of trading and fixed income management for Northern Trust Quantitative Advisors, a subsidiary. He is a certified financial analyst and an associated person of the National Futures Association. He and his wife, Sherry, reside in Lake Bluff, Ill., with their three children.

### Sheila Chuang, MBA '78

is ExxonMobil's treasurer for the Asia-Pacific region. She also serves as business services manager for petroleum in Singapore, overseeing the financial affairs for the businesses of ExxonMobil affiliates in China, India, Korea, Singapore and other countries.

### Larry D. Wood, MBA '78

is senior VP and credit officer for First National Bank in Fort Collins, Colo. He's been with them for more than 15 years and has been in the banking industry since gradua-

tion. "My wife Karen, daughter Kati and I love living on the Front Range of Colorado and enjoying the beautiful setting," says Larry. If you're headed out to ski country, you can reach Larry at lwood@fnbfc.com.

## 1980

### Laura (Caplan) Deremo, BBA '80

"I am currently working part-time managing a database for the Art Alliance for Contemporary Glass, as well as teaching dance exercise classes," says Laura. "I have two children, Hannah, 9, and Michael, 5, and am busy as co-PTA president, great books facilitator and overall parent volunteer. I also volunteer in the community with Meals on Wheels." If you can catch her, it will be at lauraderemo@hotmail.com.

### Katherine A. Erwin, BBA '80

is an attorney with John Nuveen & Co., a fund management firm in Chicago. She and her husband had their first child in October 1999. You can reach her at erwink@nuveen.com.

### Paul J. Gibling, MBA '80

has recently launched ConnectingDots, a marketing consulting firm focusing on helping healthcare, life science and B2B clients develop e-business strategies and integrate the Web into their marketing mix. His company identifies and connects resources to unify strategies and tactics across media, time and audiences. You can reach Paul at pgibling@connectingdots.com.

### Dennis J. Mitrzyk, MBA '80

"After 19 years of marketing and sales development with Hewlett-Packard, I decided to leave the corporate world to pursue my interests in music, writing and transformational thinking," reports Dennis. "I'm close to completing my first novel, which is an amalgam of Mark Twain aphorisms, Monty Python skits and the Bhagavad Gita. I'm really enjoying the freedom my new lifestyle affords." To learn more about Dennis' pursuits in Palo Alto, contact him at galen1@mindspring.com.

### Maxine (Lans) Retsky, MBA '80

is a partner in the Chicago office of Piper Markon Rudnick & Wolf in charge of the advertising, promotion and trade practices group. She was recently elected to the board of directors of the Promotion Marketing Association. "My husband Jonathan and I adopted a little boy, Jacob William, who turned one on February 25 and I hope will be in the Class of 2021 at Michigan," says Maxine.

### Ron Seigneuer, MBA '80

is alive and well in the Rockies. He recently received AICPA accreditation in business valuation and reports he now has completed 10 years as adjunct professor at the University of Denver College of Law and 20 years of marriage to his lovely bride Beverly.

### Jeffrey R. Smith, MBA '80

"I am entering my 20th year with Andersen Consulting. About two years ago, took on

global responsibility for our e-commerce consulting practice, serving consumer and industry clients as managing partner," reports Jeffrey. "Still living in beautiful East Grand Rapids and enjoying the process of watching four beautiful and talented daughters become young women. Sue (UM Nursing '77) and I still attend UM football games whenever we can." You can reach him at jeffrey.r.smith@ac.com.

### Marty Wolf, BBA '80

is president of Martin Wolf Associates in San Ramon, Calif. "We are a three-year-old MBA firm specializing in the sub \$50 million information technology space. We will finish 2000 as the biggest in the nation in advising in this category," says Marty, who adds they are always looking for good Business School grads in their San Francisco and New York offices. You can reach him at mwolf@mwainc.com.

## 1981

### David Anderson, MBA '81

is the lead technology architect for Blue Cross/Blue Shield of Illinois. He also is adjunct professor of MIS at DePaul University. Dave reports that he and Eric Leininger recently had a reunion to celebrate the 20th anniversary of their successful completion of Accounting 501.

### Eric Leininger, MBA '81

is vice president of consumer insight and strategy for Kraft Foods in Glenview, Ill. Eric was named one of the "ten thought leaders" who are charting the future of consumer information in the March 2000 issue of *American Demographics* magazine.

## 1982

### Marc Jaffe, MBA '82

is chief troublemaker for West St. James Press in Cleveland Heights, Ohio. "Despite all efforts to avoid using my business education, I am now forced to with my latest venture in publishing," says Marc. "My comedy writing career has gone from Seinfeld and other TV to a book called *Sleeping with Your Gynecologist—Tales from My Marriage to an OB/GYN* (available at your local bookstore and amazon.com). When I was forced into self-publishing, I had to relearn words such as production, distribution, marketing and finance. Michigan did a great job preparing me for a career in comedy writing. Regards to all my B-School brethren. If you want to learn more about me, buy my book." If you need extra copies, you can reach Marc at weststjamespress@aol.com.

## 1983

### Susan E. Davis, MBA '83

has been elected to the board of directors of Butler Manufacturing Company. Susan is vice president, human resources, of Johnson Controls Inc., headquartered in Milwaukee.

She also serves on the boards of Quanex Corp. and Junior Achievement of Wisconsin.



## 1987

### Jane (Sobieraj) Evans, BBA '87

"This past summer marked my 12th anniversary with Ford Motor Company and my third relocation," says Jane. "I'm now the Ford Division brand manager for the Chicago region. Husband Gene and I are busy getting settled in with our two daughters Katie, 4, and Sheila, 2, and are pleased to be back in the Windy City. I also recruit at the Business School for Ford, and it's always great to be back in Ann Arbor." To congratulate Jane on the birth of Molly on March 9, contact jevans9@ford.com.

### Joseph A. King, BBA '87

was recently promoted to partner with Ernst & Young. He provides assurance and advisory services to high-growth companies in the southeast. Joe, his wife Janet and 2-year-old son Joseph reside in Atlanta and can be reached at joseph.king@ey.com.

## 1988

### Steven D. Grossman, MBA '88

recently left Quaker Oats and has joined Imagine Foods as vice president of marketing, in which role he oversees the company's marketing, consumer relations and corporate communications departments. For more information on Imagine Foods, visit www.imaginefoods.com.

## 1990

### Eric Anderson, MBA '90

"Kitty and I just added our third child to the family. Emma (4), Alex (1) and Max are doing great. I'm working in Cincinnati handling marketing for Lenscrafters and Ray-Ban brands. Kitty is still at Lexis-Nexis. See you at the 10-year reunion," says Eric, who can be reached at eanderso@lenscrafters.com.

### Takao Arai, MBA '90

is secretary for Mitsubishi Climate Control in Franklin, Ind. "Our second child, Eiji, was born on January 23, and my wife and four-year-old daughter are extremely happy," says Takao. He also earned his CMA designation about the same time. Send congratulations to takao@indy.net.

### Ernesto Arteta, BBA '90

received his MBA from Carnegie Mellon in 1995 and is now vice president of emerging markets with Bank One in Chicago. Ernesto also recently received his Chartered Financial Analyst (CFA) designation. "I am also completing an MA in Latin American Studies at the University of Chicago and have gotten engaged to Marlene Gitterle," adds Ernesto. Send your congratulations to earteta@em.fcmbd.com.

### Thomas A. Cunningham, MBA '90

"Our second son, Thomas Michael, was born on March 6, 1999. He joins his older brother Alec Gene, who just turned four on August

2." Tom is still a manager at Ford Motor Company in Dearborn and can be reached at tcunin2@ford.com.

### Basilio Dayala, MBA '90

"I have finally decided to go out on my own and am now importing food products from Europe to the U.S. and having lots of fun with my new career. I look forward to seeing all my classmates at Reunion 2000," says Basilio.



### Harry Epstein, MBA '90

"My wife and I have moved to Vienna, Va., outside Washington, D.C. I continue to work for PMA Consultants and provide program, project and construction management consulting services to clients all over the east. We hope to gain a local clientele and stay in Virginia a long time," reports Harry.

### Rick Foster, MBA '90

is director of marketing for Cabot Microelectronics in Aurora, Ill. "Three kids, a dog and a house in the suburbs, and I'm having a ball taking the company public," says Rick. "The semiconductor industry is dynamic and full of opportunity, a great place to implement all those MBA-acquired skills and capabilities." You can reach him at richard\_foster@cabot-corp.com.

### Thomas W. Harvey, MBA '90

"Although it has been 10 years since I left Ann Arbor, I've restricted my movements to a 10-block area of center city Philadelphia," says Tom. "My wife Lisa and I have two beautiful daughters, Dorian and Alexandra. I left Conrail and am now working at First Union Securities in an M&A advising group." You can reach Tom at thomas.harvey@firstunion.com.

### Charles Hilliard, MBA '90

"After nine years in investment banking, I left Morgan Stanley to become CFO of NetZero, the nation's largest provider of free Internet access," says Charles. "We took the company public and now have more than three million registered users. My wife Michelle, daughter Madeline and I are now living in Westlake Village, Calif."

### Murside (Turan) Jean, MBA '90

left her position to become a full-time mother, independent consultant and pursue a life-long dream to become an author/illustrator of children's books. "Three kids (Bridget was born in May 1999) will give me lots of

## 1984

### Brian Barnier, BBA '84, MBA '88

and his wife Carol welcomed a new daughter, Emma Rose Annery Barnier, on March 17, 2000, who now joins her older brother and sister. The Barniers reside in Naperville, Ill. Congratulations should be sent to bbarnier@concentric.net.

## 1985

### David Villarreal, MBA '85

is sales and marketing manager for Gustavo Levy Sucesores in Monterrey, Mexico. "After obtaining my MBA, I returned to Monterrey to become actively involved in the family business (now more than 100 years old) and also be a part owner," says David. It is an industrial supply business that sells machinery and industrial tools primarily to Mexican industry. "Having lived in Canada for eight years before going to Ann Arbor, and then moving to Mexico was difficult but it all fell into place. In 1991 I married Monica, an elementary school teacher, and we now have three children. I am also looking at a change in business. If you know anyone who would like to penetrate the Mexican industrial market, please contact me. I am fluent in English and Spanish, highly motivated and prepared for new challenges." You can reach David at levy@das.com.mx or by phone at (528) 375-2145.

## 1986

### Donald T. Griner, MBA '86

is senior design manager for Marriott International's architecture and construction division, and responsible for launching the design of Marriott's newest lodging brand, SpringHill Suites. Don is also very active in the political scene in his residence in Falls Church, Virginia.

### Carolyn Kley, BBA '86, MBA '91

is now the COO/executive director of the Best Friends Foundation in Washington, D.C. Best Friends builds peer and mentoring groups for pre-teen and high school girls across the country. You can reach Carolyn at ckley@aol.com.

inspiration for stories." Husband **Don (MBA '90)** is vice president of strategic infrastructure and corporate procurement at Capital One. "We hope all our fellow classmates are doing well," adds Murside.

**Susan J. Land, MBA '90**

Susan was married in Washington, D.C., on August 7, 1999, to Glenn R. Bucek. She works as a computer systems project manager at Fannie Mae, where she has been since 1991, and lives in Chevy Chase, Md. You can reach her at susanjland@yahoo.com.

**Stephen P. Lavey, MBA '90**

"For two years I served as a director and CFO of American Disposal Services, which was sold to Allied Waste Industries in October 1998," reports Steve. "After a year serving as an elder and volunteer business pastor for a large, growing, non-denominational church in Chicago, I joined up with several financial services executives to co-found EnvestNet.com, an online B2B firm providing individually managed accounts and a suite of other investment products. With offices in Chicago and New York, we recently completed a \$10 million round of external venture capital funding and are launching our Web site. I'd love to hear from classmates at Slavey@envestnet.com."

**Terry Phillips, MBA '90**

has started a contemporary products distribution and business development company at www.astuteadvance.com. The company specializes in modern-styled products, many of which are exclusive in the U.S. market.

**Patricia L. Plagens, BBA '90**

"I am soon to be unemployed to travel off and on for a year to Scotland, Peru, Costa Rica, Nepal, Belize, Baja, Tanzania, New Zealand and Hawaii," reports Patricia. You can catch her on the run through plagens@hotmail.com.

**David Marvin Rich, MBA '90**

is director of Nuance Communications in Menlo Park, Calif. "Life in Silicon Valley is surreal with streets paved in gold, or at least expensive sports cars, and we live life on the aluminum alley. Even so, this is a great place to spend a few years after a decade in Dallas," reports Dave. "Best of all, we have a new addition to the family with the birth of Thomas Edward on October 13, 1999." Send congrats to Dave at drich@nuance.com.

**Carlos Gabriel Santiago, MBA '90**

"I first went to Citicorp for three years, then went to Banco Santander as a corporate analyst in charge of business proposals presented to the International Credit Committee in Madrid. The Bank of Nova Scotia then hired me as account manager for the Caribbean Basin Initiative Portfolio. Early in 1998 I was named president of the Economic Development Corp. of San Juan, working closely with business development

through commercial loans." You can reach Carlos at cgabriel@coqui.net.

1991

**Todd E. Freier, BBA '91**

will be attending Notre Dame Law School this fall. He has served as a business manager with the U.S. Peace Corps in Botswana, Africa, worked as a finance and program administrator with the International Human Rights Law Group in Washington, DC, and participated in various capacities with United Nations missions to Bosnia, Cambodia and East Timor. You can reach him at ddot\_freier@yahoo.com.



**Mark H. Weintraub, BBA '91**

was recently promoted to vice president, risk management, for Republic Bancorp Inc.

1992

**Alejandro Barril, MBA '92**

"After having worked for seven years at the investment banking department of the leading Spanish bank, I moved to the French bank Credit Agricole Indosuez, as director of corporate finance," reports Alejandro, who can be contacted at abarril@indosuez.es.



**Tom Gray, MBA '92**

is the quality assurance group manager for Raytheon Aircraft Company's Hawker Horizon business jet program. Tom has more than 10 years' QA experience and 1,200 flight hours in military and civilian aircraft. Tom and his wife Jeannette live in Wichita, Kansas, and he can be reached at tom\_gray@raytheon.com.

**Philip Leiber, BBA '92, MAcc '92**

"I spent five years with PricewaterhouseCoopers, leaving as a manager in the M&A practice," says Phil, who reports his most in-

teresting assignment was in Kuwait in 1993-94 as a claims adjuster for war damage claims after the Gulf War. He is now director of financial planning and assistant treasurer for the California ISO, the electric transmission grid operator. "I enjoy life in the foothills of the Sierra mountain range of California," adds Phil, who can be reached at pleiber@caiso.com.

**Bonnie J. (Miller) Shaul, MBA '92**

"In April, Cassidy Emma Shaul arrived, weighing in at 8 lbs, 4oz. and 22 inches. Proud parents and sibling, Bonnie, John and Brooke, are catching up on sleep and investing in P&G," reports Bonnie. She is returning to her position as director of pharmaceutical marketing for Abbott Laboratories, International Division, and can be reached for appropriate congratulations at jpshaul@aol.com.

1994

**James Dorman, MBA '94**

is vice president, sales & marketing, for Staples Inc. in Framingham, Mass. You can order all your supplies from Jim at James.Dorman@staples.com.

**Drew Wolff, MBA '94**

"I recently changed jobs from Greater Good.com to Washington Mutual (both in Seattle), where I'm working in our venture capital group," says Drew. WM Strategic Capital Fund is a \$150 million fund investing in technologies and services that can be used by the bank, its employees or customers. "If there are any alumni in Seattle, look me up. There are far too many Husky fans here." Seattle Wolverines should contact Drew at drewwolff@onebox.com.

1995

**Katherine (Catto) Baldini, MBA '95**

is manager of global product development, refrigeration, at Whirlpool Corp. She returned from Italy in June 1999, after a 2-1/2 year assignment with Whirlpool. On May 22, 1999, she married Massimo Baldini from Genoa, Italy. You can reach her at Katherine\_G\_Baldini@email.whirlpool.com.

**Lee Boyd, MBA '95**

has been working as a product manager with Baxter Healthcare in Tokyo since 1997. He now has returned to a position with Baxter in Chicago. "Most of my free time is still spent playing soccer," reports Lee. To learn if his game has improved, contact Lee at reutherlb@hotmail.com.

**Sandra (Rice) Freund, MBA '95**

"I moved to Boston in 1987 to work for Cabot Corp. This past fall I married Rob Freund and moved to Concord, Mass.," says Sandra. "My e-mail address is sandy\_freund@hotmail.com. Drop me a line!"



# alumni opportunities

Get involved in the University of Michigan Business School's Global Blue alumni community! For more information about alumni activities in your area, call or email your regional contact or club leader, or contact Alumni Relations at 734.763.5775 or [alumni@umich.edu](mailto:alumni@umich.edu).

## UMBS Alumni Clubs & Regional Contacts

### EAST

**\*Boston** - Greg Lipper, MBA '97  
508.357.5768, [Greg.Lipper@fmr.com](mailto:Greg.Lipper@fmr.com)  
**New Jersey** - Jeff Norman, BBA '89  
212.621.9552, [jnorman@landauer.com](mailto:jnorman@landauer.com)  
**\*New York** - Christine Parlamis, MBA '99  
212.640.2590, [parlamis@hotmail.com](mailto:parlamis@hotmail.com)  
**\*Philadelphia** - Michael Ferrante, MBA '98  
215.652.1728, [Michael\\_Ferrante@merck.com](mailto:Michael_Ferrante@merck.com)  
**\*Washington, DC** - Judy Spector, MBA '79  
703.516.7829, [globusinc@msn.com](mailto:globusinc@msn.com)

### MIDWEST

**\*Chicago** - Norman Sigler, MBA '92  
312.266.2215, [nsigler@hotmail.com](mailto:nsigler@hotmail.com)  
**Cincinnati** - Silvia Cheskes, MBA '99  
513.983.1262, [s\\_cheskes@yahoo.com](mailto:s_cheskes@yahoo.com)  
**Cleveland** - John Cochran, MBA '97  
216.274.4611, [John\\_Cochran@McKinsey.com](mailto:John_Cochran@McKinsey.com)  
**\*Detroit** - Peter Scott, MBA '94  
313.506.7590, [pscott@ameritech.net](mailto:pscott@ameritech.net)  
**Kansas City** - John Jenks, BBA '53  
913.381.9651, [jenks69@earthlink.net](mailto:jenks69@earthlink.net)  
**\*Minneapolis/St. Paul** - Joel Schlachtenhaufen, MBA '97, 952.833.0371  
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### SOUTH

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**Puerto Rico** - Manuel Calderon, MBA '95  
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**\*South Florida** - Jeff Kleino, MBA '93  
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### WEST (North and South)

**Colorado** - Gerrit Fitch, MBA '93  
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**\*Los Angeles** - Harry McElroy, MBA '78  
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**\*Seattle** - Sang Kim, MBA '96  
206.694.2166, [sang@amazon.com](mailto:sang@amazon.com)

### EUROPE

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### AMERICAS (EXCEPT U.S.)

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**\*Brazil** - Eduardo Pamplona, MBA '97  
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**Canada** - Paul S.F. Siu, MBA '98  
905.474.8197, [psfsiu@hotmail.com](mailto:psfsiu@hotmail.com)  
**Mexico** - Gerardo Ruiz, MBA '99  
52.5.514.4443, [Gerardo\\_Ruiz@hines.com](mailto:Gerardo_Ruiz@hines.com)  
**Venezuela** - Beatriz Meiggs, MBA '99  
58.2.285.5211, [bmeiggs@yahoo.com](mailto:bmeiggs@yahoo.com)

### AFRICA and MIDDLE EAST

**Israel** - Murray Grant, BBA '49  
972.9.885.1136, [murray@netvision.net.il](mailto:murray@netvision.net.il)  
**West Africa (Ivory Coast)** - Bernard Kouassi, Ph.D. '83, 226.36.5713  
[sadaoc.se@fasonet.bf](mailto:sadaoc.se@fasonet.bf)

### ASIA

**Beijing** - Fan Zhang, MBA '93  
86.10.64634261, [fanzhang@public3.bta.net.cn](mailto:fanzhang@public3.bta.net.cn)  
**\*Hong Kong** - Richard Chow, MBA '87  
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**India** - Atul Bahadur, MBA '87  
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**\*Japan** - Takeo Suzuki, MBA '76  
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**Vietnam** - Myhao Nguyen, MBA '97  
84.8.856.9197, [Myhao\\_Nguyen@cargill.com](mailto:Myhao_Nguyen@cargill.com)

## Get Involved!

### Become a UMBS Alumni Contact.

Be a contact for the Business School and fellow alumni in your city, country or region. Help counsel prospective students, advise new graduates, welcome summer interns, and arrange alumni events. To volunteer, contact us at [alumni@umich.edu](mailto:alumni@umich.edu).

**Attend Reunion 2000!** Reunion '00 will be celebrated on October 12-15, 2000. This year, we are welcoming all alumni and celebrating special anniversaries for the Classes of '60, '75, '80, '90, '95 and '99. Visit the Reunion website and register online at [www.bus.umich.edu/reunion2000/](http://www.bus.umich.edu/reunion2000/).

### Participate in the Day in the Life

**(DITL) program.** Host a first-year MBA or BBA student for a day at your company. Contact Alumni Relations at 734.763.5775 or [alumni@umich.edu](mailto:alumni@umich.edu) for more information.

**Sponsor a MAP Team.** Contact David Ardis at 734.763.2463 or [dardis@umich.edu](mailto:dardis@umich.edu) to sponsor a MAP team of first-year MBAs at your company.

# alumni services

[www.bus.umich.edu/alumni](http://www.bus.umich.edu/alumni)  
[mtrack.bus.umich.edu](http://mtrack.bus.umich.edu)

## Welcome to M-Track!

M-Track is the University of Michigan Business School's password-protected Intranet community. Via M-Track, you can search the Alumni Directory, access job opportunities and post jobs online, learn about alumni events in your area, and much more.

## Using the Alumni Directory

M-Track's password-protected Alumni Directory is a valuable networking resource. Locate alumni using one or more of the following parameters:

Name	Metro Region
Degree	Zip Code
Graduation Year	Area Code
Section	Employer
City	Job Title
State	Industry
Country	Function

## Additional Benefits

Other M-Track features enable you to find or post jobs online and to volunteer for mentoring opportunities for students and alumni. New networking initiatives under development include global email capability for your class and section, and new email networking groups.

## Getting Connected

To get an M-Track user ID and password, contact Alumni Relations at [alumni@umich.edu](mailto:alumni@umich.edu) or 734.763.5775. We will need your name, your name while at school (if different), and your degree and year of graduation. It's that simple!

Purchasers of UM-Online can log in to M-Track using the username and password provided through that service. Please contact Alumni Relations if you have any problems.

## Staying Connected

You can update your contact information in M-Track via your Personal Profile. Once you log on to M-Track, access your Personal Profile in the menu bar, update your contact information, and click *Submit Changes*. These changes will be reflected immediately in the UMBS Alumni Directory.

Alumni Relations also can update your contact information for you. Simply connect to our website at [www.bus.umich.edu/alumni](http://www.bus.umich.edu/alumni) and click on the *Address Update* button at the top of the menu bar. Enter your new contact information and click *Submit Form* at the bottom of the page.

## Career Services

Career Center  
Office of Career Development  
Phone: 734.764.1373  
Fax: 734.647.9324  
E-mail: [ocd@umich.edu](mailto:ocd@umich.edu)

## Find a Job

Career opportunities for both new and experienced alumni can be found online at <http://mtrack.bus.umich.edu/>. At the M-Track homepage, click on *Alumni Menu* and then on *Career Services*. From *Career Services*, click on *Job Postings* to view employment opportunities.

## Post a Job Opening

Employers can post positions for alumni or current students. All postings will remain online for 60 days. This service is free to employers. To post a job online, visit our *Companies and Recruiters* site at <http://mtrack.bus.umich.edu/>. Click on *Web Recruiters* and select *Post a Job Opening*.

Alumni Relations  
Phone: 734.763.5775  
Fax: 734.615.6103  
Email: [alumni@umich.edu](mailto:alumni@umich.edu)

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[dmunoz@umich.edu](mailto:dmunoz@umich.edu)

Terri Horner  
Database Clerk  
[thorner@umich.edu](mailto:thorner@umich.edu)

## Kresge Business Library — Online Resources

Alumni can access Kresge Business Library's online career resources and business information at <http://lib.bus.umich.edu>. Career resources include links to 600 company web sites, U.S. and international job sites, a relocation guide, and information about career fields. For business information, click on *Databases* and then link to extensive business web sites. The Kresge Library site also includes web links to Mentor, the library's catalog, and other University of Michigan library resources.

## Alumni Career Packets

Contact the Career Center in the Office of Career Development for career packets containing search-firm contacts, Internet career sites, and guides for résumés and cover letters.

## UMBS Marketplace

Alumni Relations is pleased to present the UMBS Marketplace, a source for distinctive gifts, clothing and business items from the University of Michigan Business School. Shop online at [www.bus.umich.edu/alumni/UMBSmarket/](http://www.bus.umich.edu/alumni/UMBSmarket/).



University  
of Michigan  
Business  
School



## Frank B. Goldsmith, MBA '95

"I'm still enjoying Denver and the nearby mountains, working for a small healthcare IT consulting firm and traveling a lot," says Frank. "I'm a volunteer ski patroller at Winter Park and ski most weekends. My wife, Laurie, has her own dental practice. I ran the New York marathon last fall and now plan to only run half marathons. Marathons hurt! Best wishes to all," says Frank. To discuss running and skiing, you can reach Frank at fgoldy@yahoo.com.

## Gary Gorodetsky, MBA '95

"After a series of rapid fire job changes, ranging from oil & gas to retail to airline and IT, I finally settled in Houston where I co-founded Compass Technologies, an IT consulting firm specializing in network and Web development solutions," says Gary. "I welcome all my classmates to drop me a note at gary.gorodetsky@CompassTechnologies.net."

## Karen (Wisham) Hudson, MBA '95

"On October 22, 1999, I married Sean Hudson (MBA '94) in Cleveland. It was absolutely magical with lots of activities planned for our guests throughout the weekend. We were fortunate to have many friends and family in attendance, including more than two dozen Michigan MBAs and their significant others," reports Karen. "Sean is currently a manager of consumer marketing initiatives at Bristol Myer Squibb, and I recently joined the NFL as a manager in the corporate sponsorship group. Life is good!" To order your team jacket, contact Karen at hudsonk@nfl.com.

## Matt Kammerzell, BBA '95

recently married and took a new job with Glenwood Capital in Chicago, which runs nine fund-of-hedge funds. He also has received his CFA designation. You can reach Matt at mkammerz@yahoo.com.

## James R. Schaefer, MBA '95

Continues as vice president at Lehman Brothers in New York City. "I am doing well, busy with a lot of M&A work and other deals on the side," reports Jim. "I appreciate greatly the phone calls, e-mails and visits I have received from my classmates after Elissa's passing. This has been a tough year, but you guys have been a great support. I look forward to continued contact with as many of you as possible." You can reach Jim at jschaefer@lehman.com.

## Maia Sharpley, MBA '95

is principal-management consulting, telecom services, with PricewaterhouseCoopers in New York City. "After five years in Boston, I have moved back to New York and all it has to offer," says Maia. "I look forward to getting involved with Michigan's alumni club and seeing familiar faces." You can reach her at mysharpley@hotmail.com.

## Sam Subramanian, MBA '95

left McKinsey & Company to join Unocal Corp. in Houston, where he is responsible for evaluating merger and acquisition opportunities. You can reach Sam at sam\_subramanian@yahoo.com.

## John Grier Tennant, MBA '95

"I'm still a product lawyer at Intel Corp. and just had an exciting product launch in Taiwan," says John. "My article 'Flash Memory: Modern Applications' was published by *CompuTech*, an Asian high-tech magazine. I'm also starting a B2C Internet-based company called pianoquest.com. My wife Catherine recently argued before the California Supreme Court. We have two children, Jake (3) and Victoria (1). Come see us if you're in the Sacramento area."



## Claire A. Verweij, MBA '95

is program manager for Internal Medicine-Allergy Research, Center for Biologic Nanotechnology, at the University of Michigan. "I support the scientific activities from multidisciplinary areas into a unified program and coordinate efforts to obtain external funding, and I interact with investigators from disciplines in materials science, chemistry, biology and medicine who address applications of nanotechnology in biology and medicine," explains Claire. To learn more about nanomaterials, which are complex synthetic molecules hundreds of times smaller than the cells of our bodies, you can reach Claire at cverweij@umich.edu.

## 1996

## Jeremy Fowler, BBA '96

"I joined the Women's Advocacy Project of Austin, Texas, in June 1999 as an emergency legal services staff attorney," says Jeremy. "I represent victims of domestic violence in protective order, divorce, custody and parental rights termination hearings. The work is extremely rewarding and challenging." You can reach Jeremy at 512.476.3696.

## Doug Sheridan, MBA '96

was promoted to director of commercial activities for El Paso Field Services in November 1999. "I'm active in our company's new MBA program, and hope to introduce the Michigan program into this effort," says Doug. If you're in Houston, he'd like to hear from you at sheridand@epenergy.com.

## 1997

## Howard Bell, MBA '97

is president and CEO of Enlighten Sports Inc. in Ann Arbor and was married on June 17. To learn more about his company or send congratulations, e-mail howard@enlightensports.com.

## Edward Cohn, MBA '97

is a Malcolm Baldrige National Quality Award examiner. Ed, who also holds an MD and MPH, can be reached at edcohnmd@umich.edu.

## Qasim Mushtaq, MBA '97

has recently moved from A. T. Kearney to EDS E-Solutions supply chain consulting practice as senior project manager. You can reach him at qasim\_mushtaq@eds.com

## 1999

## Erik Beguin, MBA '99

recently accepted a position as a director with Clixnmortar.com, an Internet-enabled company combining online and offline shopping, which is a majority-owned venture of the Simon Property Group. To learn more, contact Erik at ebeguin@clixnmortar.com.

## Adam Meron, MBA '99

and fellow classmates Andrew Vickers and Dave Sanchez have founded GetOutdoors.com, the "ultimate smart portal" for everything outdoors. They have spent the summer building the business and, of course, enjoying the outdoors. To order all your camping and other outdoor equipment, contact ameron@getoutdoors.com.



## Christine Parlamis, MBA '99

is a manager at American Express in New York City. "I got engaged in November 1999 to Scott McAllister, and we plan to wed in October 2000 in New York," reports Christine. "I've also been hanging out with a lot of fellow MBA '99ers, including (in photo, l to r) Al Reba, Marlo Scott, Tony Sood, myself and Berny Chen. You can reach her at parlamis@hotmail.com.

## Kathleen Whitaker, MBA '99

was promoted to senior consultant with the Medstat Group in Ann Arbor and continues her involvement with the Ark as a member of their board of directors and volunteer, including keeping the Web site updated. So please visit www.a2ark.org and let Kate know what you think at kiwib56@aol.com.

## Harry Schagrin Jr. MBA '43

died on June 1, 2000 at age 79. A longtime resident of Youngstown, Ohio, Harry was a life insurance agent for Northwestern Mutual Life Insurance Company, a Chartered Life Underwriter and a lifetime member of the Million Dollar Roundtable. He also had been president of the local chapter of Chartered Life Underwriters. The company established the Harry and Dorothy F. Schagrin Learning Center in Akron, Ohio, in honor of the many underwriters who Harry and Dorothy mentored. Harry also has left a bequest to the Business School for financial aid. He was preceded in death by his wife Dorothy, but is survived by his daughter Gwen and son Ron.

## Roger Bennet Yepsen MBA '47

died on May 12, 2000, at age 80, in South Fort Myers, Fla. He received both his BA and MBA from the University and spent his entire working career with General Electric, where he was a strategic planner. Born in Pittsburgh, he served as an infantry captain in the Southwest Pacific in WW II and received the bronze star. Recently he was president of the Unitarian Universalist Church of Fort Myers, an elementary school aide and a volunteer at Lee Memorial Hospital, the Lee County Alliance for the Arts and Habitat for Humanity. He

**The University of Michigan Regents:** David Brandon, Laurence B. Deitch, Daniel D. Horning, Olivia P. Maynard, Rebecca McGowan, Andrea Fischer Newman, S. Martin Taylor, Katherine White, Ex-Officio Member, Lee C. Bollinger, President, University of Michigan.

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### Share Your News... And Send a Photo!

Your classmates want to hear from you and see you in the next issue of *Dividend*.

There are many ways to submit a Class Note:

- 1) Fill out the Alumni Network Update on the last page of this issue and send it—along with a picture, if possible—in the postage-paid, self-addressed envelope inserted in the magazine.
- 2) E-mail your submission to [cshaw@umich.edu](mailto:cshaw@umich.edu).
- 3) Fax your submission to (734) 647-2401.
- 4) Mail your news to *Dividend*, University of Michigan Business School, 701 Tappan Street, Suite D-2201, Ann Arbor, MI 48109-1234.

Thank You!

lobbied enthusiastically for environmental and peace causes and was deeply committed to the environmental preservation of the Adirondacks, where he and his wife had a second home. He is survived by his wife and best friend of 53 years, Natalie, his children Roger, Krissa and Carter, their spouses Ali, Peter and Joanne, and seven grandchildren.

## Robert S. Springmier MBA '55

of Charlotte, NC, died on January 23, 2000, at age 71. He received his degree in chemical engineering from Purdue in 1950 and his MBA from Michigan in 1955. In between, he served in the Korean War as an officer with the U.S. Navy. He worked for Dow Corning in Midland, Mich., for 35 years until retiring in 1990. Robert was a life member of the University of Michigan Alumni Club and an avid football fan, holding season tickets for 25 years. He is survived by his wife Mary Ann; son Scott and his wife Kathy, both Michigan grads (Kathy from the Business School; Scott, Industrial Engineering); two grandchildren; three sisters and their families.

## John Hunter Hill MBA '65

of Nepean, Ontario, Canada, passed away on April 17, 2000. He was a retired official from the Canadian government in Ottawa.

## Reconfigurability

*continued from page 14*

whether the throughput—the parts per minute—is adequate to meet their production needs.

"In addition," says Duenyas, "a company has to make a decision about how often it will introduce new products and what the best manufacturing system will be. If you reconfigure more often, because you are introducing new products, a reconfigurable system can be a comparative advantage, especially if your customers value product change." For example, a reconfigurable manufacturing system may make good economic sense for an automobile manufacturer that wants to roll out new car models every year or two, but not for a sheet-metal producer which may not make any major product changes for 20 years.

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*"You want customers  
to feel they have enough  
variety from which to choose,  
but not enough variety to  
paralyze your operations."*

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A final consideration is lead time to market. If reducing lead time is a priority, then a reconfigurable system may be worth the extra expense for a company operating in a highly competitive environment.

Of course, no company is obligated to support all its customers' demands, and may make a conscious decision not to offer certain options, colors, sizes, delivery dates, etc. This marketing-operations interface can be the source of constant friction in many companies. "You want customers to feel they have enough variety from which to choose, but not enough variety to paralyze your operations," says Duenyas.

"In the long run," he concludes, "successful firms not only will understand what their customers want, but also how their operations will support the way they choose to satisfy their customers."

For more information, e-mail Izak Duenyas at [duenyas@umich.edu](mailto:duenyas@umich.edu).



# alumni network update



Connect with your classmates and ensure you receive all Business School correspondence. Keep your contact information up-to-date with Alumni Relations.

**Alumni Relations**  
**University of Michigan Business School**  
**701 Tappan St., Ann Arbor, MI 48109-1234**  
**Phone: (734) 763-5775 Fax: (734) 615-6103**  
**Email: alumni@umich.edu**

Please Print Legibly  
**BUSINESS INFORMATION**

Name: \_\_\_\_\_

Degree(s) & Year(s): \_\_\_\_\_

Job Title: \_\_\_\_\_

Employer: \_\_\_\_\_

Business Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Business Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

**Preferred Email:** \_\_\_\_\_

**HOME INFORMATION**

Name While in School: \_\_\_\_\_

Degree(s) & Year(s): \_\_\_\_\_

Home Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Home Phone: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_ I consent to posting my business address and email in the alumni directory and on my class website, if one exists. Both are located in M-Track, the password-protected portion of the Business School website.

\_\_\_\_ I consent to posting my home address and email in the alumni directory and on my class website, if one exists. Both are located in M-Track, the password-protected portion of the Business School website.

**NETWORKING CODES**

*To get connected with alumni and students, you must identify your networking codes. Select one function and one industry code.*

**FUNCTION**

- Accounting
- Buying/Purchasing
- Computer/Management Info. Systems
- Consulting-General
- Consulting-Info. Technology/System
- Consulting-Internal
- Consulting-Operations/Process
- Consulting-Strategy
- E-Commerce
- Engineering Management
- Entrepreneur
- Finance-Commercial Banking
- Finance-Corporate
- Finance-General
- Finance-Investment Banking
- Finance-Investment Mgmt.
- Finance-Sales/Trading
- Finance-Venture Capital
- General Management
- Human Resource Mgmt.
- International Business

- Marketing-Advertising
- Marketing-General
- Marketing-Product Mgmt.
- Marketing-Research
- Marketing-Sales/Retail
- Marketing-Services
- Marketing-Technical
- Operations Management
- Other
- Real Estate
- Strategic Planning

**INDUSTRY**

- Manufacturing**
- Aerospace
  - Agribusiness
  - Auto./Trans. Equipment
  - Chemicals
  - Computer/Electronics
  - Construction
  - Consumer Goods
  - Diversified Manufacturing

- Engineering Design
- Energy/Petroleum/Minerals
- Healthcare Products
- Machinery & Equipment
- Metals/Metal Products
- Paper/Wood/Glass
- Pharmaceutical/Biotechnology
- Rubber/Plastics
- Textiles

**Services**

- Advertising
- Business Services
- Computer/Internet & Software Services
- Consulting/Research
- Education
- Entertainment/Leisure
- Environmental
- Finance-Commercial Banking
- Finance-Insurance
- Finance-Investments

- Finance-Services
- Finance-Venture Capital
- Government-Federal
- Government-International
- Government-State/Local
- Healthcare
- Hotel & Restaurant Mgmt.
- Import/Export
- Law
- Non-Profit
- Other
- Printing/Publishing
- Public Accounting
- Real Estate
- Retail
- Search Firms
- Self-Employed
- Telecommunications
- Transportation
- Utilities
- Wholesale/Distribution

*Please take a moment to respond to the information on the following page.*

**www.bus.umich.edu/alumni**

# alumni network update

Name: \_\_\_\_\_

### Get Involved!

- I would like to help plan my next reunion.
- I am interested in finding out more about alumni activities in my area.
- My company may be willing to sponsor a reception/event for alumni or prospective students.
- I am willing to counsel prospective students, current students and alumni regarding the Business School experience and/or career opportunities. I understand my home and business contact information may be released for this purpose.

### Join the Entrepreneurship/E-Commerce Networks:

Add me to the online networking group in M-Track.

Entrepreneurship      E-Commerce

Add me to the email/ mailing list regarding these activities at the Business School.

Entrepreneurship      E-Commerce

I am willing to act as an advisor for students or alumni involved in projects and seeking career advice. I understand I will be listed as an advisor in M-Track and that my home and business contact information may be released for this purpose.

Entrepreneurship      E-Commerce

### Share your news. . . and send a photo!

Your classmates want to hear from you and see you in the next issue of *Dividend*.

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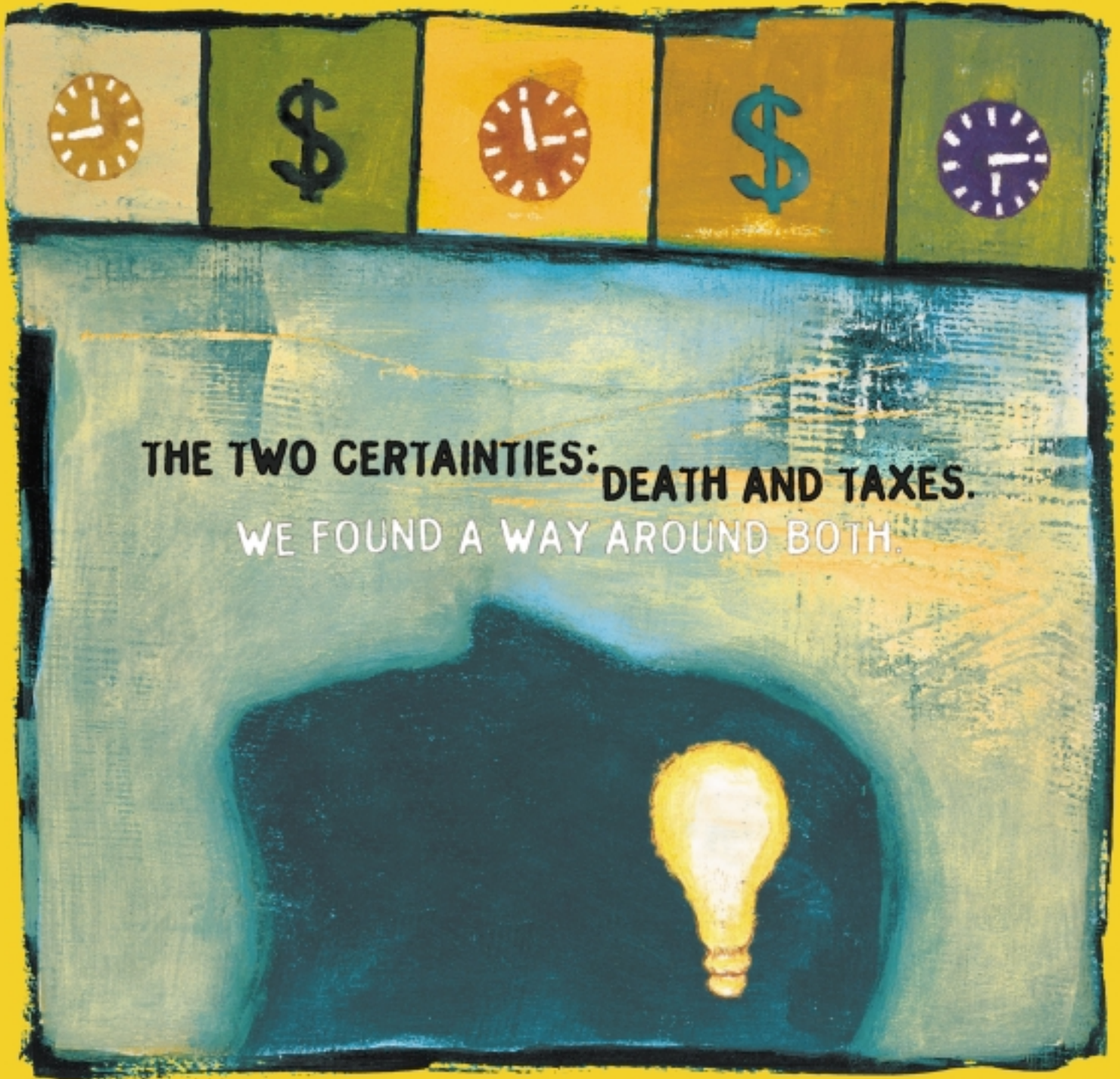
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By providing my information, I consent to publication of my Class Notes, photos and email address in *Dividend* magazine and on my password-protected class website, if one exists.



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## The Class of 1950 gather to celebrate their Emeritus Reunion in the Year 2000.



**Pictured are:** (Row 1) Fred Spindel, Jack Edman, Mary May, Ann (Holzhaver) Stadler, George Stadler, Paul McCracken and George Gerbstadt; (Row 2) Don Swancutt, Bob Barnsdale, William T. Robie, Richard Mackey, Fred Sleder, Robert Boardman, Robert B. Vokac, Ray Okonski and Lee Danielson; (Row 3) Tom Zur Schmiede, Charles Strickland, Gary Buhrow, Chuck Goebel, LeRoy J. Augustin, Erwin Bud Wittus, S. Peter Bayekian, Russ Etzel, Richard White and Art Field; (Row 4) Charles Allmand, Howard Cooper, Kelley Newton, Ralph Serum, Bruce Cook, Vern Terpstra, Fay Knapp and V. John Svagr.

**WELCOME BACK!**