

Minnesota Management Review



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User-Developed Information Systems: the Good News and the Bad News

By Gordon B. Davis



Starting over 25 years ago, computers have changed information processing and information systems in organizations; we are now in the beginnings of a second and more significant wave of change involving computers and information processing. One component of the change is technology—the microcomputer that allows low-cost individual access to computers; the second element involves the development process for computer applications.

Gordon B. Davis

The potential applications of computers in organizations to make knowledge work more productive are enormous; we have just begun to exploit the computer as an aid for large segments of the organization. The problem is getting the applications designed and programmed on the computer because there are simply not enough analysts and programmers to keep up with the demand. Several solutions are:

- Make analysts and programmers more productive
- Use off-the-shelf package software
- Have users develop the systems

An organization will probably use a combination of all three solutions. The first two are extensions of traditional solutions; the user-developed systems method is a more profound change in direction and has significant organizational implications.

Requirements for User-Developed Systems

To develop information system applications, users generally must have a high level of access to the

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School Publications Hit by Budget Cuts

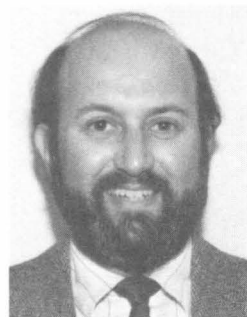
The *Minnesota Management Review* was not published during the winter quarter of 1983 because of continuing budget constraints existing at the University and at the School of Management. The constraints are due to a total University loss of \$3 million in appropriations from the state. In an effort to deal with these budgetary problems, the School of Management will publish the *Minnesota Management Review* twice instead of three times per academic year.

Another result of the School's cutbacks is the elimination of the Minnesota Business Conditions survey, conducted quarterly by School of Management professor of finance and director of MBA studies, Roger B. Upson.

While it is hoped that these services will be restored when the economic climate improves, these measures were necessary at the present time, according to acting dean Edward Foster. "We are preserving the quality and integrity of the School's academic programs as our first priority," said Foster. "These publications are of great importance to the School, but lean economic times mean that we must focus on our highest priorities first." □

Succession Planning

by Patrick R. Pinto



Patrick R. Pinto

What is one nightmare that every CEO has? It might be that the plane goes down and no one in the remaining management ranks is able to assume effective leadership of the company.

Providing for executive continuity has become a major human resource issue at many firms.

Although succession systems do establish contingent replacements in case of emergency, they are more concerned with staffing all

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Business Day 1983—Success: Survival Through Adaptation



Keynote speaker, William A. Andres, chairman and chief executive officer, Dayton Hudson Corporation

Business Day, the annual showcase day for the School of Management, was kicked off for 1983 on April 13, at the Radisson St. Paul with the theme of "Success: Survival Through Adaptation." Edward Foster, Acting Dean of the School of Management, noted that Business Day "is the annual occasion that highlights the School's commitment to the organizations and people it serves. The event demonstrates, through the participation of corporations, alumni, and friends of the School, that we in Minnesota are in the middle of a strong and diverse management community."

Among the highlights of the 23rd Annual Business Day were panel presentations and roundtable discussions conducted by School of Management alumni, faculty, and members of the Twin Cities business community, and the keynote address at the evening banquet by William A. Andres, chairman and chief executive officer of the Dayton Hudson Corporation on "How Business Meets the Challenge of Change."

The event, which involved over 800 students, alumni, corporate leaders, and faculty, began with a panel and roundtable session focused on adaptation and success. The panel included Robert Adams, Senior Vice President, Technology Services, 3M; Henry Fischer, Vice President, Public Affairs, Twin City Federal Savings and Loan Association; Patricia Klauck, Executive Director, Children's Health Center, Inc.; Gayle Osterhus, 1983 Small Business Person of the Year; and moderator Andrew Van de Ven, 3M Professor of Human Systems Management, School of Management. The panelists responded to questions generated by the audience after a roundtable discussion session led by over 50 alumni and other corporate representatives.

Presented at eight different concurrent sessions were topics such as: Career Planning—Beyond the First Job; Small Business—Turning Your Ideas into Reality; Computers—A New Frontier for Managers; and, International Business—The Dynamics of Global Affairs. All were well attended and thought to be valuable insights into current management problems and situations.

In a stirring keynote address, William Andres noted that the pace of change is accelerating and that "successful entrepreneurs are basically people who see trends ahead of the crowd." He spoke of Ray Kroc, famous for bringing the golden arches of McDonald's to the American landscape, as an example of one who succeeded by adaptation, in this case to a younger world with a probable craving for fast food and drive-ins, a younger world caused by the post-World War II baby boom.

Noting that Kroc saw a trend and profited from it, Andres talked of Dayton Hudson Corporation's policy of "trend management" and how units within Dayton Hudson such as Target and B. Dalton have succeeded by recognizing trends ahead of others. In the case of Target, it was a matter of recognizing a consumer preference for quality at a value price. With B. Dalton, Dayton Hudson capitalized on the trend toward more education and "self-improvement" which is so evident in the United States today. Though these and other Dayton Hudson units are known for being remarkably healthy and successful, Andres said that things can and do change and "managing change is so critical to our success that we stress it throughout our organization."



Teacher of the Year, W. Bruce Erickson



Outstanding Achievement Award winner, William S. Cook

Other events of note were the awarding of several citations. Topping the list was the presentation of the Outstanding Achievement Award to William S. Cook, president and chief executive officer of the Union Pacific Corporation and 1948 graduate of the School of Business Administration (now the School of Management) at the University of Minnesota. The award is given by the Regents of the University of Minnesota to an alumnus who has demonstrated exemplary personal and professional achievement, and has been given to only 751 (including Cook) of the University's 300,000 alumni.

The Teacher of the year award was presented from the students and alumni of the School of Management to W. Bruce Erickson, professor of Strategic Management and Organization and a specialist in anti-trust law, by the chairman of the School's Alumni Advisory Council Steve McArthur, a 1967 graduate of the School and Vice President, Controller, B. Dalton Bookseller. The awards for the Outstanding Teaching Assistants of the Year in the School of Management were presented to Greg Frankenfield and Susan Heckler, who are studying management sciences and marketing, respectively. A citation was presented by the School's Placement Office to the Outstanding Recruiter of the Year, James Barton of Pacific Gas & Electric in San Francisco. □

David Lilly Assumes New 'U' Positions



Acting Dean Edward Foster

Dean David M. Lilly has been named acting vice president for finance by University president C. Peter Magrath, replacing Frederick Bohlen, who resigned in order to take a position as a senior vice president at Brown University. Magrath, who made the announcement on April 25, said that "David Lilly's work in the School of Management has been outstanding, and I am personally grateful to him for his willingness to take on a critical responsibility on behalf of the University of Minnesota." In addition to his new duties, Lilly will continue to serve as a

special consultant to the president on matters related to the University's role in economic development.

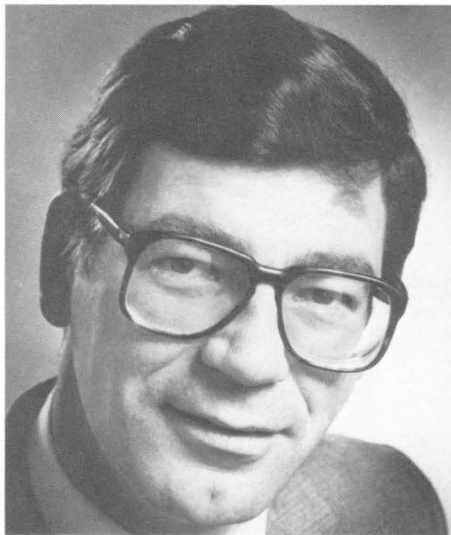
Lilly's responsibilities as special presidential consultant include chairing the Task Force on Minnesota Higher Education and the Economy of the State. The objectives of the task force are to identify ways in which the many capabilities of the University can be utilized to better serve the needs of the state and its economy, as well as to suggest any changes that may be needed to enable the University to achieve this aim.

Lilly is also working with various state and gubernatorial commissions on the economy and education as well as organizations such as the Minnesota High Technology Council, the Minnesota Business Partnership, Minnesota Wellspring, and the Minneapolis Task Force on Research and Technology which are concerned with economic development in Minnesota. Another of his duties is to organize Research Equipment, Inc., a new for-profit subsidiary of the University of Minnesota Foundation designed to purchase costly research equipment for lease to the University and the business community.

In the best interests of the School of Management, a search for a new dean will ensue immediately, since it is unknown how long Lilly will remain in the finance position. During the interim period, Associate Dean Edward Foster, who is also a professor of economics at the University, is acting dean of the School of Management. □

Strategic Management Concerns Among Twin Cities CEOs: A Preliminary Research Agenda

By Andrew H. Van de Ven



Andrew H. Van de Ven is 3M Professor of Human Systems Management at the School of Management.

During the past year, I have had an opportunity to meet with more than 30 chief executive officers and senior managers in the Twin Cities management community. The major purposes of these meetings have been to identify the strategic management concerns in our community, and to develop a research agenda that can respond to these concerns. In response to the question, "What are the key issues or problems

confronting your organization in the 1980's," nine major issues have emerged.

1. What are the factors that lead to successful and unsuccessful new business firms or new ventures within firms?
2. What are the central problems and issues organizations and new ventures must deal with as they move through various stages in their development?
3. How does one develop and maintain a culture of innovation and entrepreneurship within large organizations?
4. How can planning, control, and incentive systems be designed to simultaneously direct the corporation toward a strategic long-term vision and flexibly respond to environmental shifts and economic cycles?
5. What are we learning from the deregulation of many industries, including oil, gas, banking, airlines, and telephone?
6. How do we manage the tradeoff between maintaining flexibility to respond effectively to unpredictable environments and return on investment which requires efficiency and routinization?
7. How can acquiring firms successfully assimilate or redirect the unique cultures and management orientations of acquired or merged companies?
8. How can an organization achieve a global or international strategy?
9. What do we do from a strategic human resource management perspective with the post-war baby

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Strategic Management and Organization Colloquium Series



Tom Peters, co-author of *In Search of Excellence: Lessons from America's Best-Run Companies*.

The University of Minnesota School of Management offered a new Strategic Management and Organization Colloquium Series every Tuesday during the 1982-83 academic year. The series was highlighted by such noteworthy speakers as Charles Lindblom (*Politics and Markets*), Alfred Chandler (*The Visible Hand*), Jay Galbraith (*Organization Design*), and Tom Peters (*In Search of Excellence: Lessons from America's Best-Run Companies*), among others. Altogether, there were 13 outside speakers; in addition, University of Minnesota faculty members presented colloquia every other week.

The theme of this year's colloquium series was "strategic management," an outgrowth of the new mission statement of the Department of Strategic Management and Organization. The "strategic management" orientation defines the general manager as the key constituent and places the focus on the limiting factors in organizations—their novel, nonroutine problems and issues—and emphasizes problem-driven research and teaching, as opposed to discipline-driven research and teaching.

The first step towards implementing this new departmental orientation is meeting with and identifying the needs and concerns of general managers. Throughout this past year, this has been accomplished by a series of meetings between departmental faculty and the business community. The Colloquium Series is part of the second step towards implementing this new orientation.

"By having both inside and outside speakers lead discussions of their current research as it relates to strategic management, the Colloquium has become a very intellectually stimulating forum to examine alternative perspectives of strategic management for both academics and practitioners," said Andrew Van de Ven, colloquium coordinator. Some of the topics addressing this theme are: "The CEO's Role in the Strategic Planning Process," "Dual Cultures and Identities in Organizations," "Competitive Corporate

Strategies," and "The Stages of Evolution and Growth of Electronics Firms."

In addition to the Colloquium Series, executive roundtable breakfasts with colloquium speakers were held, and colloquium speakers also served as speakers for the North American Society for Corporate Planning.

The Colloquium series is sponsored jointly by the Department of Strategic Management and Organization, the 3M Chair in Human Systems Management, and the North American Society for Corporate Planning. □

AIIESEC Seeks Alumni

AIIESEC-University of Minnesota (L'Association Internationale des Etudiants en Sciences Economiques et Commerciales) International Association of Students in Economics and Business Management, is seeking to identify AIIESEC alumni. The information desired is: name, address, current employer and position, officer position(s) held while in the organization, traineeship(s) taken abroad, and past traineeship accounts in obtained organization in the Twin Cities area. Alumni may reply by writing to AIIESEC, 235 Coffman Union, University of Minnesota, Minneapolis, MN 55455.

During the past year, AIIESEC has continued its strength as an organization on campus. Activities have included sending students abroad on internships, bringing foreign students to local companies, hosting the 1981 Midwest Regional Conference, and arranging for speakers at general meetings. AIIESEC-University of Minnesota looks forward to hearing from its alumni soon. □

"Non" Programs Offered By Executive Development Center

- Are you easily confused by jargon such as DBMS, ROI, the four P's, or CVP relationships?
- Do you feel uncomfortable in conversations concerning topics in which you've had little or no formal training?
- Are the objectives and motivations behind decisions made in other departments puzzling?

If you answered "yes" to one or more of the above questions, the "non" programs were designed with you in mind.

"Marketing for the Non-Marketing Manager," "Computers and Information Systems for the Non-Information Systems Manager," "Accounting for the Non-Accounting Manager," and "Finance for the Non-Financial Manager" seminars were developed for professionals who have limited training or education in the specific function. The "non" programs will provide an understanding of the roles and tasks of that specific area and will enable managers to work more effectively as a team.

For further information on these or any other programs, please refer to the Executive Development Center program listing in this issue. □

Help!!! How Should We Approach Continuing Management Development and Education?

by Norman L. Chervany, Director, Executive Development Center



Norman L. Chervany

I spend a great deal of time talking with line managers about management development and education. As I think of these conversations, three observations stick in my mind. First, there is a strong belief in the importance of continuing growth and development of themselves and their management teams. Second, in most organizations, the management development process is *ad hoc*. Formal approaches for planning, executing, and evaluating the management development activities are the exception rather than the rule. Further, in most organizations, a limited connection is made between continuing management education and the other aspects of management that contribute to the development of managers.

The above observations do not imply that all organizations approach management development poorly. Many do it (or parts of it) very well. But, in general, the process of management development and education needs significant improvement. As the president of a local organization said, "I am terribly frustrated! In the last ten years we've been on the verge of a plan for human resource development at _____ at least three times. But, something always seems to come up before we can actually implement the plan."

How should we approach continuing management development and education? The answers to the question do not, upon reflection, contain grand ideas concerning new management methods for the 21st century. Rather, the answers contain a lot of common sense. The problem is one of implementation.

However, before describing my answers, two assumptions must be noted. First, one must believe in the importance of and the ability to develop managers into more effective individuals. Second, one must believe that the development of managers occurs through a variety of events. It does not occur just through on-the-job experience nor does it occur just through education. If one has difficulty with these two assumptions, one should probably stop reading now.

There are three components of the managerial development process.

1. The first and most important component is on-the-job training and experience. Since management is as much an art as a science, managers learn by doing.
2. The second component is the non-job specific interactions that managers have with their mentors and peers. Managers develop through the general discussions that they have with individuals in managerial situations similar to their own. Most of these mentors and peers are within their own organizations. However, many productive mentor/peer relationships involve people from other organizations.
3. Career pathing (including plans about mentors) is one of two basic means to implementing developmental objectives. It should be noted, however, that career pathing involves a particularly tough trade-off. On one hand, there is pressure to have an individual in the position because he/she will do a good job *now*. On the other hand, management development sometimes requires that a relatively inexperienced person be given a position. Long-term managerial development versus short-term performance can be a tension producing decision.
4. Planned education is the second basic means of development. It involves identifying people and sending them to programs on a *regular* basis. Assuming quality people and programs, the thing that will most reduce the effectiveness of management education is the belief that it is unimportant in the eyes of "upper management." Random selection of people and irregular usage of educational programs provides such a message.
5. Finally, the entire development process must be subjected to meaningful performance review. The effectiveness of the development activities, both career experiences and education, must be constantly reviewed. Without review, effective development is unlikely.

The essence of a good management development process is simple—identifying needs, planning succession, setting objectives, utilizing job experience and education, and reviewing results. The major challenge is to commit the organization's time and resources to doing it. The simplicity of the steps does not mean that they won't be difficult and, at times, frustrating. However, compare these difficulties and frustrations to the difficulties and frustrations of not having the managerial talent the organization needs. To borrow a phrase, "You can invest now or you can pay later." □

Thank You

to all of the randomly selected *Minnesota Management Review* readers who participated in the readership survey conducted in May 1983. The intent of the survey was to find out what readers think of the publication and to tailor the *Minnesota Management Review* to the interests of its readers. Copies of the survey results may be obtained by contacting Kay Hubbard, Director, Corporate and Community Relations, at the School of Management. □

Evening MBA Reaches New Highs

“With evening MBA enrollment exceeding 900 for the first time, the program is approaching a steady state in terms of numbers of students registered,” said Roger Upson, professor of finance and director of the School’s MBA programs. “The average quality of people entering the program has also risen since the revised program was introduced four years ago, with test scores, grades, and experience now among the best in the nation.”



Roger B. Upson

The evening MBA program is offered with considerable flexibility to meet the diverse goals of the participants. In addition to the comprehensive MBA core courses, there are ten different six-course sequences of elective courses, called concentrations. These concentrations range widely across the field of management and enable participants to tailor the programs to their specific needs.

The program may be started in fall, winter, or spring quarters, and the number of courses taken per quarter may be varied between zero and two to enable participants to meet differing employment work assignments. Courses are offered with sufficient frequency to enable participants to take courses in the right order and have flexibility in the number of courses per quarter. The regular program, 74 credits in length, can be completed in three years, and the accelerated program, for people with undergraduate degrees in management, can be completed in two years.

Participants find the program relevant, useful, and a lot of work. One, employed as a consultant, said, “The time required varies from class to class, but for the most part, the material is interesting, and, therefore, the workload seems reasonable. I also consider the time well spent when I can immediately apply the material to my daily activities.” An operations manager writes, “I’m finding that I can

apply what I’m learning the very next day,” and another participant says, “The MBA program is not easy, but the supportive staff and camaraderie of my fellow students has smoothed the rough spots.” Formal and informal participant evaluations of courses are part of the program, and are used by the faculty to help keep improving the quality of teaching.

The most recent innovations in the program are in the communications and decision-making areas. A professional staff of three now runs a Communications Skills program for all evening MBA participants. This includes assistance in improving writing and speaking skills, and participants are encouraged to integrate the program with their work, because one of the operational situations they analyze is typically from their current experience.

Where is the program going from here? “I expect to see continued emphasis on quality of participants and quality of teaching,” says Professor Upson. “I see total enrollment stabilizing between 900 and 1000 for the next few years, and I see continued modification in the concentrations as we seek to match course offerings to the demands in the marketplace.” □

Roger B. Upson is a professor of finance and director of the MBA program at the School of Management.

School Increases International Focus Through Faculty Exchange Programs

In an effort to further recognize the great influence the international economy has on the U.S. and Minnesota economies, the School of Management has entered into faculty exchange agreements with Keio University in Tokyo and the Jean Moulin University (Lyon III) in Lyon, France.

The agreement with Lyon University was completed last year, and this spring, Max Crochat, professor of finance at Lyon, taught a course here on the European economy. During this time, Timothy Nantell, professor of finance at the School of Management, taught courses on corporate finance and the U.S. banking system at Lyon.

Another part of the Lyon agreement involves a summer institute in law and international business—jointly sponsored by Jean Moulin, the University of Minnesota law and management schools, and the Guilford Law School in Surrey, England. This is the most integrated and involved program of its kind, and the first offering will be in summer, 1983.

The exchange program with Keio was completed by Acting Dean Edward Foster in March and will give our faculty a good foundation for conducting research on the Japanese economy and Japanese management methods.

These agreements, and any others that may follow, will provide invaluable international experience and knowledge of the world business situation for our faculty, which will help them better understand our own economy and the international influence so pervasive throughout it. □

McKnight Foundation Grant Recipients

Research by School of Management faculty which has been accepted for funding under the McKnight Foundation includes:

- An analysis of the capacity of the St. Lawrence Seaway and the implications for Minnesota by Frederick J. Beier, professor and chairman, management sciences.
- A study on interest rate volatility and the cost of capital for public utilities by Timothy J. Nantell, professor of finance and insurance, Gordon J. Alexander, professor of finance and insurance, and P. George Benson, associate professor of management sciences.
- Research on artificial intelligence (AI) techniques in analyzing and evaluating accounting internal controls by Andrew D. Bailey, Jr., professor and chairman, accounting, and Gordon L. Duke, assistant professor of accounting.
- A study on the management and productivity of knowledge work by Honeywell Professor of Management Information Systems Gordon B. Davis.
- A project on strategic decision making in corporate acquisitions by Paul E. Johnson, professor of psychology and management sciences.
- Studies on an organizational innovation research program by 3M Professor of Human Systems Management Andrew H. Van de Ven, Harold Angle, associate professor, strategic management and organization, W. Bruce Erickson, professor of strategic management and organization, Mary Nichols, associate professor of strategic management and organization, and Albert Wickesberg, professor of strategic management and organization.
- Research on new ventures in the analysis of factors leading to success or failure in new high-technology companies and how successful firms resolve them by W. Bruce Erickson, C. William Rudelius, professor of marketing, Andrew H. Van de Ven, and Albert K. Wickesberg. □

FACULTY NOTES

Charles C. Manz: Self-management; increasing personal and employee effectiveness, paper entitled "Self-Managed Work Groups: Made in the U.S.A.," presented at the Second United States-Japan Business Conference.

Dennis Ahlburg: Forecasting of U.S. birth rates by region, presented at an American Statistical Society conference on forecasting.

Ian Maitland: *The Causes of Industrial Disorder*, book published by Routledge & Kegan Paul comparing a British factory to a German one, analyzing the influence government has on industry.

C. William Rudelius and **Gary W. Dickson** and **Steven W. Hartley** (doctoral candidate in marketing): "The Little Model That Couldn't: How a Decision Support System for Retail Buyers Found Limbo," paper on a decision support system developed to assist retail buyers in their planning activities for a large department store chain. □

FACULTY ON THE MOVE

Roger Schroeder visited Deakin University in Australia where he consulted on an operations management curriculum, lectured, and met with faculty from the Australian School of Management.

Robert Holloway was in Japan during March and April and while there lectured several times at Keio University, with whom the School of Management has a faculty exchange agreement.

Andrew Bailey has been nominated to serve as vice president of the American Accounting Association for 1983-84. □

Double Your Dollars

There are approximately 900 companies that match employee contributions to colleges and universities. Many firms extend this benefit to retired employees, board members, and spouses. Some companies match donations on a two-for-one or three-for-one basis. Please check with your personnel office to see if your company has a matching gift program. If it does, your gift to the School can go so much further. Just send your company's matching gift form to the School with your donation, and your gift will be doubled—or even tripled! If you have already sent your check to the School without the matching gift form from your company, you may submit the form to the School now and your gift can still be matched. □



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Strategic Management—from page 3

boom that now exists within our corporation as a young, middle-level management? How do we begin to develop “life-long learning” programs for this large generation of practicing managers?

Managing organizational innovation and change is the theme that unifies these concerns. As one executive stated,

“For me, all of them boil down to the basic question, how do we get or stay big and at the same time stay small? And within that context, how do we continue to educate ourselves and keep up with the incredibly fast-paced world we seem to be living in?”

My colleagues and I are now in the process of developing a program of research on this theme that will systematically examine and compare alternative types, levels, and process phases of organizational innovation over time.

Four ideas are important in developing this research program on organizational innovation and change. The first is to understand what a business idea is. By focusing on the business idea as the object of study, we can track the development of an innovation.

1. The Business Idea

A business idea is the total formula for achieving success, not just the product/market strategy or the technical approach. A business idea consists, at the very least, of the following: a market or niche to be served; the products or offerings to be sold; a strategy for dominating the niche; the resources that are needed to achieve dominance; and a structural arrangement and managerial process for embodying these ideas into the organization’s character.

2. Phases of Organizational Innovation

Business ideas do not emerge full-blown at the outset. They are developed, tested, put into production, diversified, and reoriented while being guided by an overall integrating theme. The evolution of organizations can be viewed as histories of moves through different stages of development of their business ideas. By focusing on the evolution of the business idea, we hope to be able to focus on the process dynamics that occur in three basic phases: creation, implementation, and operations.

3. Types of Innovations

There are four basic ways in which innovations are often developed. They are through new business startups, corporate sponsorship, acquisition and merger, and internal corporate entrepreneurship. Some of the questions to be answered while comparing these models are what kinds of new business ideas are most appropriate for each model; within each model, what are the factors that lead to successful and unsuccessful innovations; and what are the similarities and differences in developmental phases and activities in each of these models.

4. Levels of Focus

While the individual entrepreneur is clearly important, we believe that too much emphasis has been attributed to this individual as the stimulator of innovation. Organizational innovation is a network-building enterprise that centers on the inception, diffusion, and adoption or rejection of a set of ideas among a group of people who become sufficiently committed to these ideas to transform

them into “good currency.” Thus, we believe it is critical to go beyond the traditional focus on the individual entrepreneur, or the single top manager, and to examine the network of relationships among groups of people that develop throughout the stages of organizational innovation and change.

Different levels of focus are also needed to understand the structure of options and constraints on organizational innovation and change. Specifically, we are organizing the research program to include: the overall market and community environment, the organization as an institution, the innovative group or team, and the individual entrepreneur, product champion, and orchestrator.

During the past six months, 15 faculty and students in the School of Management have been meeting weekly to develop a research framework on organizational innovation. While much work lies ahead, it is clear that a systematic program of research on organizational innovation can make a significant response to the central concerns of the management community in the 1980’s. □

Davis—from page 1

computer, a variety of development tools, some training, and access to expertise when needed. The access may be a terminal that connects to a large computer, a personal computer, or a combination unit that serves as both a terminal and a standalone computer.

The development tools allow users to define data and to describe the processing procedures to be applied or the problem to be solved. The user prepares the specifications using languages designed for data retrieval, report writing, modeling, problem definition, or data processing. The trend is toward languages and specifications that fit the user’s way of viewing the application rather than being efficient for the computer. A good example is a spreadsheet system such as Visicalc that puts the solution procedure into the familiar spreadsheet format.

The ideal in information processing is the “user-friendly” system. This means that the system can be used in a natural way without significant expertise because the system takes care of tasks that require detailed computer knowledge. There are help facilities for on-line learning and the system prevents the user from activities that will accidentally destroy files or programs. User procedures for recovery from error are clear and unambiguous. Since user-friendly systems support learning-by-doing, users can learn to apply the systems without the fear of failure in a public setting. Even with user-friendly systems, there is a significant amount of learning time necessary to establish minimum proficiency with the tools and to be effective in developing applications. Claims that it takes only three hours to learn a system may be true for expert analysts, but for most users, the time required is much greater. There is also relearning for those systems that are used only occasionally.

A key element in implementing a change to user-developed systems is establishing a mechanism so users can consult with an expert. The expert may be in the information systems department, in a special information center, or may be another user who has sufficient experience and interest to develop and

maintain expertise. The important point is that a user must be able to get help from an expert when questions arise or difficulties are encountered.

Significant Advantages of User-Developed Systems

There are three significant advantages to the user-developed systems approach:

1. It relieves the shortage of information system development personnel by transferring the development functions to users.
2. It eliminates the problems encountered in having information system personnel take responsibility for determining information requirements. Determining a correct and complete set of requirements is a difficult task, and having users perform the task eliminates the difficulties of communicating with an "outsider."
3. It overcomes many of the problems of implementing systems. Users are able to develop systems to suit specific organizational dynamics and level of organizational learning. Doing it yourself is always less threatening than having an expert reorganize and restructure your job.

Significant Concerns with User-Developed Systems

Along with all of the good news, there are some concerns in transferring application development to the users:

1. The separation of functions of user and analyst is eliminated. The user is now the analyst, and this means there is no outside analyst to serve as independent reviewer of requirements and also as enforcer of organizational standards.
2. The information requirements determination function is transferred to the user, and there may be a tendency to assume users will arrive at good requirements. This may not happen because of human bias toward requirements based on recent events, currently available information, and small sample sizes. Therefore, other procedures are needed to ensure that users achieve complete and correct requirements.
3. User-developed systems may encourage over-analysis, using inefficient search for solutions, solving the wrong problem, and applying the wrong analysis. This occurs because the easy availability of concrete computational algorithms and modeling facilities causes a preference for computation over problem finding, problem formulation, accurate definition, etc.
4. Users may not be willing to apply or understand the necessity for application of quality assurance procedures such as testing, audit trails, backup, etc.
5. User-developed systems may encourage private (belonging to one individual) information. This is counter to the trend in organizations to view information as an organization-wide resource.

Some Recommendations

There are powerful economic and behavioral forces operating to bring about user-developed systems, and they are being introduced with or without formal organizational approval. My recommendation is to explicitly recognize this development and then establish appropriate guidelines, procedures, tools, and policies to encourage their use while minimizing the risks.

Training plus availability of support procedures can aid in solving the right problem using the right model and using appropriate quality assurance. Policy can be used to define characteristics of systems that should be designed and built to be shared.

The problem of quality assurance (correct requirements, adequate testing, use of correct analysis, etc.) presents a difficult organizational issue. If organizational quality procedures are too complex, it will unduly inhibit user-developed systems and increase frustration. Yet to not have any policy is to ignore the dangers. I suggest the following as a reasonable policy:

User-developed systems for analysis and decision support are encouraged. A user who prepares an analysis or a model for use in decision-making should document the fact that appropriate quality assurance was performed. The scope and depth of quality assurance should reflect the importance of the decisions that are based on the results. Quality assurance methods illustrating a range of possibilities are simple testing, colleague review, complex testing, user team review, and review team with outside members. □

Gordon B. Davis is Honeywell Professor of Management Information Systems and professor of accounting at the School of Management.

Pinto—from page 1

levels of management. Succession planning is more long-term in providing a steady flow of people moving into, up and across the management ranks, all at various stages of readiness to assume the next position.

Succession planning is a process tied to the business strategy. The shape and direction of the business plan will determine the managerial resources needed both to continue the organization and to move it into the future. Morrison-Knudsen Co. in Boise, a worldwide engineering and construction firm, links requirements for its key project manager positions to elements of its long-term business plan.

Approaches

There are many approaches to succession planning, including crown prince exercises, where the heirs apparent are selected early and groomed for succession to the throne. By contrast, Honeywell, Inc. insists on competitive selection for all positions, especially those filled from within, and a slate of at least two or more candidates is expected to be presented for final placement.

Most typical of succession plans is an orderly approach to filling executive positions, where pools of individuals are identified and developed, providing the right skill mix and stages of readiness to meet internal staffing requirements.

Steps

The essence of succession planning is to focus both on the talents of *people*, and on the nature of the *jobs* in the hierarchy. Although some companies want fancy rating sheets and estimates of promotion potential, the two basic steps in all systems are IDENTIFICATION and DEVELOPMENT.

Continued—page 10

1. *Identification* involves assessment of individual competencies, skills, experiences, abilities and interests. Profiles are formed for each manager based on some combination of performance record, work experience, supervisor's recommendation, candidate's self-assessment, and sometimes evaluation by outside industrial psychologists.

There is a parallel process that involves evaluating the key jobs in an organization. First Bank System in Minneapolis defines key jobs as those which have a direct impact on the bank's long-term profitability, productivity, and/or public image. This means that titles and salary grades are less important to defining key positions than an analysis of the job's actual responsibilities. These high leverage jobs are the targets for staffing through succession plans.

The identification of key people and key positions comes together in an annual succession review. Each major division or function head presents his/her inventory of management assets to the CEO. On the West Coast, the Atlantic Richfield Company spreads its review over several months, allowing separate meetings of about four hours for each head to evaluate his/her direct reporting subordinates and document their performance history, identify possible replacements, identify high potential persons not yet at a senior level, note special plans for females and minorities, and deal with organizational issues such as restructuring the division, new positions, retirements, needed technical and other support personnel, etc.

To aid in identifying its players, Fluor Corporation in Irvine, California has a "war room" with walls covered by magnetic plaques containing names and coded experience ratings of all managers. While the existence of the room is well known to employees, the keys to the room are obviously held by only a few executives.

2. *Development* of the talent identified during the review is as important as assessment. Participants in the succession plan may be working on special job assignments or task forces, building a network of relationships with coaches or mentors, completing training or degree programs, or involving themselves in outside community leadership experiences.

Managers targeted for special development usually know they are identified somewhere within the succession plan. When the head of executive development for Xerox Corporation makes a special trip to talk with managers about their career interests, these individuals can correctly guess they are on Xerox's Directed Development List.

Just as people are developed, so are jobs modified to meet succession requirements. Special attention is paid to the high impact, key jobs identified earlier in step one. Those jobs above all others must be adequately staffed, well placed in the organization's hierarchy of reporting relationships, with solid bench strength and feeder positions, job objectives clearly determined, and performance carefully linked to the compensation bonus structure.

Organizational Issues

The mechanics of assessing managers and tracking their progress during development is only the shell of

a succession system. There are always lingering organizational issues such as how to reward managers for developing their subordinates, especially when it may involve releasing a high talent person to another division so the individual can improve his/her skill mix.

Another issue may be how to tie development for today's management needs to the future needs created by a dynamic business strategy. Still another is how to handle capable individuals who do not agree to relocate even when the move is necessary for both company purposes and to broaden the person.

Even societal factors influence succession planning. I consulted this winter in Kuwait to design a plan for Kuwaiti nationals to assume leadership in an R & D organization. The culture was an obstacle to the kind of directed career management that succession programs require. The Koran says that you must never say, "I will do..." without adding the Arabic word, "Hinchallah," which means, "if Allah wills it."

Some Kuwaiti managers were waiting for divine intervention. Smart companies will help shape their own fate by a planned program of identification and development of managerial resources. □

Patrick R. Pinto is associate professor of industrial relations and psychology at the School of Management, on leave during 1982-83.

A Minnesota Alumni Network

Beginning in 1981, an informal "Mini-Directory" was developed for MBA alumni of the School of Management. Each spring, student volunteers from the MBA graduating class obtain information from their classmates which is entered into the MBA Mini-Directory. The directory is published twice a year and is accompanied by a newsletter. Distribution of the directory is limited to the people who are listed in it, and it may not be used for commercial purposes.

The MBA Mini-Directory provided a valuable service for alumni. An alumna of the MBA class of 1981 wrote, "You never know when you'll need some advice or help from peers. I think that it's really necessary to keep in touch with my fellow MBA alumni, and the MBA Mini-Directory is an excellent tool for networking."

In the future, a formal and all-inclusive alumni directory will be published, but in the meantime, MBA alumni are invited to submit information for inclusion in the Mini-Directory. To do so, forward name, year of graduation, company and position, business address and phone number, and home address and phone number to: Gretchen Roufs, Director, Alumni Relations, School of Management, University of Minnesota, 271 19 Ave S., Minneapolis, MN 55455. Or phone her at (612) 376-3217. All inclusions must be voluntarily submitted by each individual, so alumni need to specifically indicate that they wish to be included in the mini-directory. □

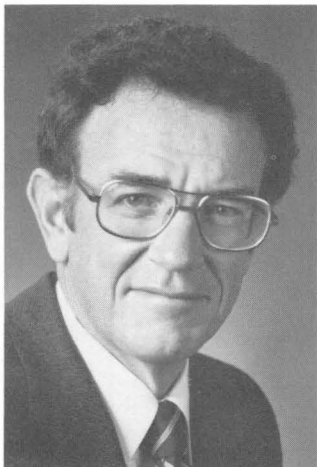
New Chairman for Board of Overseers



Bud Grossman (l), hears citation of his service to the Board of Overseers as read by Dean David M. Lilly (r).

1982 was a year of change for the School of Management's Board of Overseers, the advisory group comprised of prominent Twin Cities business and civic leaders. N. Bud Grossman, president and chief executive officer of Gelco Corporation, stepped down from his post as chairman of the Board of Overseers, a position he held since the Board's inception in 1979. Succeeding Grossman as chairman is Richard L. Schall, vice chairman and chief administrative officer of Dayton Hudson Corporation. In addition, David G. Croonquist, vice chairman of the board and treasurer of the H.B. Fuller Company, joined the Board as its newest member.

During Grossman's tenure as chairman, the School achieved several major goals. Among them were the addition of some 35 new faculty members; the complete revision of the undergraduate, MBA and Ph.D. curricula; the completion of a \$10 million, five-



Richard L. Schall



David G. Croonquist

year fund-raising program in three and one-half years; establishment of an Executive Development Center to provide continuing management education for all levels of managers; and funding for five academic chairs.

Schall, who is a director of Medtronic, Inc., First National Bank of Minneapolis, and Economics Laboratory, Inc., expressed his eagerness to begin this new position. "Working with David Lilly and the Board of Overseers to further the objectives of the School of Management offers exciting opportunities, and I am pleased to be a part of the process that provides excellence in management education." □

The Competitive Edge

A scholarship program sponsored by the School of Management, *Corporate Report*, and the *Minnesota Business Journal*

After a very successful first year (1982-83), the Competitive Edge Scholarship Program is again being offered to help emerging companies develop their key managers. The scholarship sponsors believe that the economic future of this region will be, in part, determined by smaller companies who will grow and prosper. These companies will provide the employment, revenues, and other resources necessary to help this region sustain its vitality and quality of life.

The ability of a company to grow and become increasingly effective in its marketplace does not hinge only on technology and products. Sound management, using the latest business knowledge and skills, is a critical part of the success equation. The Competitive Edge Scholarship will help four companies each year build this management talent. Each of the four finalists in the selection process will receive a 75% scholarship (or advertised tuition cost) to the Minnesota Management Institute (MMI). The balance of the total fees, 25%, will be paid by the attending participant companies. Two finalists will attend in the fall, two in the spring. A brochure and other materials fully explaining MMI and the Competitive Edge Scholarship Program are available from: The Executive Development Center, School of Management, University of Minnesota, 271 19th Ave. S., Minneapolis, MN 55455, or by calling Dr. Ken Myers at (612) 373-3837. Some of the basic program criteria are:

- Managers must be employed by regionally-based companies (Minnesota and contiguous states).
- Managers will be selected from companies whose annual sales are in the approximate range of two to ten million dollars.
- Managers will be selected from companies which have exhibited or can be expected to exhibit a sustained high rate of growth and development.
- Selected managers will be in positions typical of Minnesota Management Institute participants in general. That is, they must have responsibility for one or more major functional areas of the company. General managers, vice presidents and presidents of companies in the two to ten million dollar annual sales bracket may find MMI particularly helpful.
- The deadline for 1983-84 applications for the Competitive Edge is **July 18, 1983.** □

The Industrial Relations Center Today

By Mario F. Bognanno

One of the School of Management's largest and oldest academic enterprises is the Industrial Relations Center (IRC). Founded nearly 40 years ago, the Center is the home for a number of recognized academic programs of high quality. Many factors explain this recognition: the quality of the Center's students, its faculty, its research programs and a supportive School/University environment.



Mario F. Bognanno

Guided by an interdisciplinary graduate faculty, the MA-IR and Ph.D.-IR programs enrolled 136 graduate students in fall 1982 and during the past year, while the country was in a recession, approximately 85% of MA-IR graduates obtained job offers prior to graduation, and three of its four Ph.D.-IR grads accepted faculty appointments in AAU universities. MA-IR graduates were placed at organizations such as Philip Morris, Standard Oil of Indiana, Exxon, TRW and Hewlett Packard.

The IRC also plays a traditional and important role in the School of Management's BBA and MBA degree programs and in the University's CEE program through numerous course offerings. In curricular matters, the IR faculty has framed a revised and enriched MA-IR degree program. Plans currently call for an offering of this updated program in the fall of 1983. Moreover, the IR faculty has just completed work on a new IR concentration within the MBA. Furthermore, both of these initiatives will be offered in the evening as well as during the day, beginning in fall 1983.

Another part of the cornerstone of the Industrial Relations Center's academic enterprise is its Reference Room facility. This resource is one of the richest depositories of technical materials on employment, industrial relations and personnel in the nation. This year, Georgianna Herman, librarian and supervisor of the IRC Reference Room, served as president of the National Committee of Industrial Relations Librarians.

Recent faculty appointments uphold the fine reputation the IR faculty enjoys. Richard Arvey, professor of psychology at the University of Houston (joining the IRC in fall 1983) is widely recognized for his

research on discrimination in employment, the performance-satisfaction relationship and goalsetting. Professor Arvey will provide research and doctoral leadership in the IRC's employee staffing, training and development and organizational behavior subfields. John Fossum, associate professor of organizational behavior and industrial relations at the University of Michigan also accepted a faculty position in the IRC (starting fall 1983). Professor Fossum is nationally recognized for his research in pay and employee performance. He will provide academic leadership to the Center's subfields of compensation administration and theory and organizational behavior.

The IRC core faculty (11 members this academic year) produced 20 refereed journal articles, academic proceedings and/or books during 1982. This total does not include working papers, consulting and/or grant reports. Center research that captured the greatest public attention included a piece authored by Dennis Ahlburg entitled, "Suicide: The Ultimate Cost of Unemployment." The findings of this study were carried in news media nationwide, including the CBS Evening News.

Research support from the University, School and the IRC over the years has enabled the Center to maintain a quality faculty. These efforts and other research initiatives such as the contributions of this year's visiting faculty deserve mention. Professors James B. Dworkin, Timothy J. Keaveny and Joseph G. Rosse are testing ideas in the areas of collective bargaining, pay and models of leadership, respectively. Their work is enriching faculty and students alike much as will visitors who will follow in their places.

With the Center's successful Employer Education Service (EES) and Labor Education Service (LES) arms reaching into Minnesota's community of practitioners, the faculty of the IRC keep in tune with the pace, problems, and outreach needs of today and tomorrow.

The School of Management's Industrial Relations Center is a valuable teaching, research and service facility in the School and University. Faculty expansion, enhanced research vitality, curricular revisions and efforts to raise monies to endow an IRC chair are in the School's future plans for an even more productive Center in the months and years ahead. □

Mario F. Bognanno is professor and director, Industrial Relations Center.

School Maintains Accreditation

Reaccreditation for the University of Minnesota School of Management's undergraduate and MBA programs was approved on April 14 by the Accreditation Council of the American Association of Collegiate Schools of Business (AACSB) at their annual meeting in Kansas City, Missouri.

"I am pleased with the AACSB reaccreditation approval, although it certainly was not unexpected,"

Continued—page 13

said Edward Foster, acting dean of the School of Management. "The quality of our degree and executive education programs continues to place the School of Management among the best in the nation."

The School of Management, established by the University of Minnesota Board of Regents in 1919, became, in 1920, one of the first business schools in the nation to be accredited by AACSB. □

They're Educated, Motivated, and Qualified...

... and they have bachelors degrees in management and in accounting, and masters degrees in business administration and industrial relations. *You* can be immensely helpful to them—the graduating students of the School of Management—in a number of ways by:

- notifying the Placement office when you're aware of appropriate job openings for School of Management graduates;
- encouraging your company or non-profit corporation to recruit on campus at the School of Management;
- participating in the "Alumni Career Advisors Network" which means that you would serve as a resource person for individual students and student groups.

And ... do you need help with projects in accounting, marketing, product management, operations, finance, or information systems? Hire an intern from the School of Management. Internships provide short-term help for an organization and valuable management experience for the Students.

To be of assistance or learn more about any of the areas mentioned above, contact Janet Windmeier, Director, Career Planning and Placement, School of Management, 271 19th Ave. S., Minneapolis, MN 55455, (612) 373-4174. □

The Minnesota MBA Business Card Collection

A question often asked of the MBA Program Office staff is "What do Minnesota MBAs do after graduation?" So, a visual display of information about MBA alumni was initiated a few months ago through the "Minnesota MBA Business Card Collection." A number of alumni submitted information about themselves by forwarding their business cards to the School. The cards are displayed on a bulletin board in the MBA Program Office, and current and prospective MBA students see evidence of alumni careers in a diverse range of management positions, organizations, and geographic locations. MBA alumni who have not sent in their business cards are encouraged to send a business card (with year of graduation written on the back) to: "MBA Business Card Collection" c/o Gretchen Roufs, Director, Alumni Relations, School of Management, 271 19 Ave. S., Minneapolis, MN 55455. □

Alumni Update

Gordon M. Larson, '28, Arlington, VA, is retired after 36 years of service with the federal government. He is chairman of the Metropolitan Washington Council of Investment Clubs, Inc., president of a local investment club, travels extensively and is an avid golfer and ham radio operator.

Rohlan E. Larson, '47, managing partner of the accounting firm of Larson, Allen, Weishair & Co., Minneapolis, MN, was elected 1982-83 chairman of the American Institute of Certified Public Accountants (AICPA). The AICPA has approximately 200,000 members nationwide. As chairman, he will preside over its governing council and board of directors.

Vernon Heath, '50, Minneapolis, MN, president of Rosemount, Inc., and member of the Board of Overseers of the School of Management, has recently been elected a director of Medtronic, Inc., St. Anthony, MN.

Kenneth P. Finnerud, '55, Norwalk, CT, is market manager/export for Burlington Industries, Inc. and has worldwide responsibilities. He received his MBA from Fordham University in 1974.

Einar S. Ross, '55, has been named partner-in-charge of the St. Louis, MO office of Touche Ross & Co.

Herb Weiner, '57, Edina, MN, is a self-employed CPA and is working on a master's degree in business taxation at the School of Management, University of Minnesota. He was recently married to Jane Pinchot, who is originally from Chicago.

Robert F. Schmitt, '57 MAIR, Reading, PA is vice president for human resources for General Battery Corporation.

Thomas W. Flynn, '59, Silver Spring, MD, is regional vice president, Mid-Atlantic region, Adventist Health System/Eastern & Middle America, Shawnee Mission, KS.

S. Todd Lewis, '61, has been named president of Armstar Venture Associates, Lenoir City, TN. Armstar is a joint venture company recently formed by subsidiaries of Lone Star Industries, Inc. and Armstrong World Industries, Inc.

David C. Jones, '61, '70, MBA, Bloomington, MN, is president of Roth Young Personnel Services and has been elected group vice president of the Bloomington Chamber of Commerce.

John L. Maginn, '62 MS, Omaha, NE, was named executive vice president and treasurer of Mutual of Omaha Insurance Company and United of Omaha Insurance Company.

Wayne B. Sorenson, '65, Iowa City, IA, a lieutenant colonel in the U.S. Army, was awarded a three-year appointment by the Army Medical Service Corps to pursue a Ph.D. in health administration at the University of Iowa (and notes that it's tough to be a Gopher in Hawk country!)

Robert P. Bowles, '67, MS, New York, NY, is a vice president and team manager of the Fifth Avenue team in the corporate industries sector of the Chase Manhattan Bank, N.A.

Blaine Joseph, '68 and '74 MBA, Woodbury, MN, was named an investment officer with the St. Paul Companies, Inc.

Michael L. Lovdal, '69, Concord, MA, was elected a full partner in Temple Barker & Sloane, a general management consulting firm. He also teaches at the Sloane School of Management at M.I.T.

James R. Dougall, '69, Racine, WI, is president of Racine Steel Castings Co., and was recently elected chairman of the board of A-Center, an alcohol and drug treatment hospital.

Thomas Kelley, '69 MBA, is senior vice president and director of equity portfolio management for BA Investments Management Corporation in San Francisco.

Gerald M. Johnson, '70, was president of his own advertising agency and is now owner of the Bald Eagle Tavern & Grill in Hayward, WI. He and his wife have four children and four grandchildren.

Peter Daae, '70 MBA, Oslo, Norway, is the general manager of Biskop Gunnerus in Oslo.

Charles A. Hill, Jr., '71 MAIR, is president of Charles A. Hill and Associates in Seattle, WA and has designed and marketed a training program, "Media Relations: The Impromptu Interview," for professional and collegiate athletics.

Rolf F. Anderson, '71 MBA, Eagan, MN, is with Univac in the international division. He and his wife, Irene, have two daughters.

Eduardo Bohorquez, '72 MS, New York, NY, is with the Chase Manhattan Bank in the corporate finance-capital markets group. He received his Ph.D. in business administration from the University of Wisconsin in 1980 and is a faculty member in the School of International Affairs at Columbia University in New York.

Skip Kilsdonk, '73 MBA, Santa Clara, CA, is the marketing manager for Maxtor Corporation, a new company which manufactures disc memories for computers.

Mohammed Abdul-Aleem Siddiqui, '73 MBA, Houston, TX, is product manager for Intemedics, Inc., a medical device manufacturer. He and his wife have two sons and a daughter.

Philip J. Asgian, '73, Arden Hills, MN, is manager/accounting systems and procedures at H.B. Fuller Co.

Pal Sunde, '73, Hosle, Norway, is director, BBC Energy in Oslo.

Robert Anthony Roden, '73 MBA, Wooster, Ohio, is manager of market analysis for Rubbermaid, and is now on the board of the American Marketing Association in Akron-Canton, Ohio.

Dan Caspersen, '74, '80 MAIR, Plymouth, MN was named personnel director of Plums (a new specialty store of the Dayton Hudson Corporation).

William F. Shirk, '74, Chandler, AZ, is with Minor S. Shirk, P.A., P.C.

John Vincent Lawler, '74, Alexandria, VA, is a lieutenant commander in the U.S. Navy Supply Corps stationed at the Defense Logistics Agency and is a contract administrator.

John Matthew Olson, '75 MBA, Herndon, VA, was named Chief, Division of Marine Plans, Office of Policy and Plans, Maritime Administration of the U.S. Department of Transportation in Washington.

David A. Brumbaugh, '75, Nashua, NH, is personnel manager for Honeywell Electro Optics Division in Wilmington, MA, and is engaged to be married in June, 1983.

Bonnie J. Conklin-Mayer, '75, Blaine, MN, is divisional manager for the five-state area for Mrs. Smith's Frozen Foods Co. She is on the board of directors for Chemrod Corporation, Stillwater.

Scott Storrar, '76, St. Paul, MN, is associate control engineer for Northern States Power.

Joseph M. Grimm, '76 MBA, Wellesley, MA, is with the Digital Equipment Corporation.

Bruce J. Gary, '76, Irvine, CA, is an attorney with Halstead, Baker & Olson in Los Angeles.

Bryan M. Whitehead, '76, Avon, CT, is the automotive marketing manager for SKF Steel America in Avon. He was awarded his MBA from DePaul University in 1982.

Gregory M. Spoo, '77, graduated from the University of Minnesota Law School in 1981 and is now an associate attorney with the law firm of Holst, Vogel, Erdmann & Vogel in Red Wing, MN.

Pamela Brooks Perraud, '77 MAIR, Paris, France, is a management instructor for Monadnock Management Development in London, England and is vice president and founder of Focus, Inc., London.

James Gladfelter, '78, New Hope, MN, is senior accountant with Touche Ross & Co. in Minneapolis.

Edward E. Johnson, '78, Lake Forest, IL, is assistant vice president for Frain Camins & Swartchild, an industrial properties broker for corporations and developers in the Chicago metropolitan area.

Thomas L. Severance, '78 MBA, San Diego, CA is an attorney and CPA in private practice in San Diego. He also teaches taxes and accounting for the University of California-San Diego, California Western Law School and National University.

Vimal K. Goel, '78 MBA, Nashua, NH, is manager, language development, small systems for Wang Laboratories, Inc., in Lowell, MA.

Richard R. Bruce, '79, Golden Valley, MN, is controller of NW Bank Southwest in Bloomington.

Pamela Rae Larson, '79, Chicago, IL, obtained her CPA in Illinois in 1981 and is now working for A. Eicoff & Co., an advertising agency.

Rebecca M. Marek, '80 MBA, is manager, personnel administration, Schlumberger Well Services in Houston, TX.

C. Matthew Olson, '81 MBA, Brunswick, ME, is vice president, investment planning manager, and chairman, asset liability management committee, Northeast Bankshares Association in Lewiston, ME.

Sharri Meuwissen Tyler, '80, Atlanta, GA, is an accountant executive for Smith, Barney, Harris, Upham & Co.

James Edward Richard, '80, San Mateo, CA, is unit sales manager for Procter & Gamble in San Francisco, CA.

Rachel Elise Buller, '80, Amsterdam, the Netherlands, is with Komar, Ltd. of Baltimore, MD.

Robert Brian Murphy, '80 MBA, Wayne, PA, graduated from Villanova Law School in May.

Jerith S. Kish, '80 MBA, Minneapolis, MN, has recently been promoted to product control manager in the information systems department of the consumer foods group of General Mills.

Patrick Keene, '81, Minneapolis, MN, **John Lynskey**, '81, New Hope, MN, **Ann McIntosh**, '81, St. Paul, MN, and **Jeffrey Rudd**, '81 MBT, Edina, MN, all achieved national recognition on the CPA exam. They each won the Elijah Watt Sells award for performance "with high distinction" for achieving high grades nationally. The Elijah Watt Sells awards are presented by the American Institute of CPAs after each national CPA exam to candidates who achieve the highest scores. Only 118 high distinction awards were awarded nationally, 73,140 persons took the recent national certified public accountant exam.

Diane Rude Overstreet, '81, Seattle, WA, is in marketing with the Great Republic Life Insurance Company.

David Ripka, '81 MBA, Maple Grove, MN, is with Northern States Power in Minneapolis.

Scott David Johnson, '81 MBA, Mankato, MN, is an instructor of marketing at Mankato State University. He started his own marketing research/consulting firm in Mankato, MN and also received a Bush grant last summer to participate in the Minnesota Valley Writing Project.

Julie Bredahl, '81, St. Paul, MN, is a marketing analyst at Burlington Northern in St. Paul, MN.

Elise Ann Silverberg, '81, Minneapolis, MN, is a management trainee with First Bank Bloomington Lake and will marry Daniel J. Lieberthal in Milwaukee, WI in June, 1983.

Patricia Ann Napoli, '81 MAIR, Boise, ID, is a compensation analyst with Hewlett-Packard.

James D. Homer, '81 MBA, St. Louis Park, MN, is a marketing representative with IBM in Minneapolis.

Christian R. C. Hafstead, '81, Bloomington, MN, received the President's Award presented by the Minnesota Society of CPAs, for achieving the highest scores in Minnesota on the national May 1982 CPA exam. The award was presented on September 30. He is employed by Northwestern National Bank of Minneapolis.

Luann Bernhagen, '81, St. Paul, MN, is a regional sales coordinator for Datapoint Corporation in Edina.

David J. Lanners, '81, Waltham, MA, is a self-employed manufacturing process consultant and is working independently with high-tech firms in the Boston area. He is currently enrolled in the Harvard MBA program.

Steve Berch, '81 MBA, Boise, ID, is a systems analyst for Hewlett-Packard/Disc Memory Division. He is to be married to Leslie Richner this summer.

Patrick F. Muldary, '81 MBA, Rice Lake, WI, is manager of engineering for Nichols-Homeshield, Inc.

William Kvas, '82, St. Louis Park, MN, is a law clerk with DeParez, Anderson, Peal, Hunegs & Rudquist in Minneapolis.

Howard Wyn Schwartz, '82 MBA, Robbinsdale, MN, is administrative director, Diagnostic Radiology, University of Minnesota Hospitals. Since 1981, he has been the director of public relations for the Minnesota Chapter of the Cystic Fibrosis Foundation.

Kent Kirkpatrick Jewell, '82, St. Paul, MN, is a sales representative for NCR Corporation—Financial Systems Division.

Kimberly Ann Austin, '82, and **Mark Albright Thompson**, '82, were married in September, 1982. Mark is with IDS in Minneapolis.

Glen Parchmann, '82 MBA, Canton, CT, is with NCR Comten in Hartford, CT.

Katherine Willson McElroy, '82 MBA, St. Louis Park, MN, is a product representative with General Mills, Inc. □

ALUMNI UPDATE

Information furnished by alumni on this form will be used for the alumni news section of the *Minnesota Management Review* and will help the School maintain accurate home and business address records.

Date _____

Name _____
(Last) (First) (Middle or Maiden Name)

Year of Graduation from School of Management _____ Degree(s) granted from School of Management _____

Home Address _____
(Street) (City) (State) (Zip)

Current Employer _____
(Position) (Mailing Address)

(City) (State) (Zip)

Home Phone: _____ Business Phone: _____

INFORMATION YOU WOULD LIKE TO SHARE WITH THE SCHOOL OF MANAGEMENT AND ITS ALUMNI (CAREER, FAMILY, AWARDS, ETC.):

SEND TO: Gretchen Roufs, Director, Alumni Relations, School of Management
University of Minnesota, 271 19th Ave. S., Minneapolis, MN 55455
Phone: (612) 376-3217

**SCHOOL OF MANAGEMENT'S
EXECUTIVE DEVELOPMENT CENTER
1983-84 PROGRAMS**

I. General Management Residential Program

- Minnesota Executive Program** (6 weeks)
Modular format; begins in September 1983
- Minnesota Management Institute** (4 weeks)
Modular format; twice a year in fall/spring
- Minnesota Management Academy** (9 days)
Single session; twice a year in fall/spring

II. Functional Management Programs

- Seminars for the Systems Analyst** (5 days)
Residential program; four times a year
Upcoming sessions—July 31-Aug. 5, 1983, Oct. 23-28, 1983,
Feb. 12-17, 1984
- Manufacturing Management** (7 days)
Residential program; once a year
Upcoming session—April 29-May 4, 1984
- Sales Force Management** (5 days)
Residential program; once a year
Upcoming session—April 15-20, 1984
- Controllership Academy** (6 days)
Residential program; once a year
Upcoming session—May 13-19, 1984

Finance for the Non-Financial Manager

Mpls./St. Paul location; four times a year
Upcoming sessions—Sept. 21-23, 1983, Dec. 7-9, 1983,
March 14-16, 1984, June 6-8, 1984

Marketing for the Non-Marketing Manager

Mpls./St. Paul location; four times a year
Upcoming sessions—Sept. 21-23, 1983, Dec. 7-9, 1983,
March 7-9, 1984, June 6-8, 1984

Accounting for the Non-Accounting Manager

Mpls./St. Paul location; four times a year
Upcoming sessions—Sept. 19-20, 1983, Dec. 1-2, 1983,
March 15-16, 1984, May 31-June 1, 1984

Computers and Information Systems for the Non-Information Systems Manager

Mpls./St. Paul location; four times a year
Upcoming sessions—Sept. 21-23, 1983, Nov. 30-Dec. 1,
1983, March 14-16, 1984, May 30-June 1, 1984

MIS Executive Institute (8 days)

Residential program; once a year
Upcoming session—Oct. 1-9, 1983

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Self-Leadership: The Neglected Art in Organizations

Charles C. Manz



Manz

I recently had a wild limousine service ride to an airport. I hung on tight as I was almost thrown from my seat several times and as I listened to the driver continually mumble about being late. I was curious about the driver's behavior, so I initiated a conversation with him. In the course of our discussion I learned that his control system includes a three-day sus-

pension without pay for being late for a pickup. In addition, the same penalty is assessed for an accident, regardless of who's to blame and how minor. As he attempted to make a left turn, he was forced to wait for some slow-walking pedestrians. He explained impatiently that if he hit a pedestrian, "that's twelve points, which is an automatic five day's suspension without pay." I couldn't help feeling that the safety of the pedestrians might hang on the extra two-day penalty for hitting a pedestrian over just being late.

Achieving Compliance at the Cost of Excellence: The American Way?

While the preceding example is a bit extreme, my experience and research have convinced me that the underlying problem is all too common. If you ask yourself two simple questions, I think the problem will be a little clearer. First, why do most people in the United States do their work? Second, if an organization truly aspired to *excellence*, what would it ideally want to be the driving force leading its workers to perform? Of course, I can only guess how others will respond to these questions. But I suspect that many discover as I did, a disturbing gap between the answer to the first question and the answer to the second. Probably most would agree that ideally organizations should consist of excited, committed people who perform their work because they believe in it and because they enjoy doing it, and not just in an act of *compliance* to avoid punishment or to qualify for a pay check. Furthermore, while I might

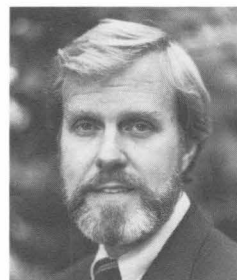
not have believed this a few years ago, this positive orientation to work ought to exist from the top management levels of the organization all the way down to the lowest level including the employee on the assembly line.

The tone of this discussion may trigger thoughts of the way the Japanese manage their workers. Indeed, available evidence suggests that the Japanese work force displays a commitment and determination in their work that frequently exceeds that of their American counterparts. I would like to suggest, however, an alternative to the impressive familial kind of orientation frequently displayed by the Japanese,

Continued—page 2

Mapping the Expert Mind: A New Frontier

Paul E. Johnson



Johnson

In a fascinating new book entitled *The Reflective Practitioner*, Donald Schön of MIT argues that our professions are in a state of crisis. This crisis is due principally to our inability to discover and teach to others what the successful members of a professional community know and practice. For those of us who have come through a professional school, this is

really not news. We discovered for ourselves long ago, I think, that what we had spent so much time, effort and money mastering was not sufficient for, or even, in some cases, relevant to job performance.

Startling as it may seem, I believe that in most professions we teach one thing and practice another. That is not to say that some specific skills here or there are not applicable to, say, costing out a new product design or preparing a legal brief; but, for the most part, the things that we are expected to do out in the world in jobs bear only a superficial relationship to what we are taught in our professional training experience.

Continued—page 12

A Message From the Dean

Edward Foster, Acting Dean



Foster

An "acting" position could be a job where not much happens, but the momentum at the School of Management has been very strong over the past five years. And the laws of physics tell us that, once something is set in motion, it is a lot easier to keep it going than to stop and restart it. As acting dean, I plan to keep the School in motion until a new dean is appointed. Two of my highest priorities are our undergraduate program and our current School-wide planning cycle.

Three years ago, we put into place a major revision of our undergraduate curriculum. It is now basically a liberal arts education with a concentration in business. We beefed up requirements in the areas of oral and written communications, international and intercultural studies, and the humanities. And we did all of this in response to results of a survey of the business community that we serve.

Now it is time to evaluate our progress. Are we on target with the new curriculum? Or will recruiters find that, as their education is broadened, our new graduates will not have learned enough management skills? I'm devoting a great deal of time to meeting with local vice presidents and directors of human resources of companies which heavily recruit here. And I'm convinced that we are on the right track. Employers do want to hire people who can above all, think critically and communicate effectively. This is not to denigrate the core of business courses that sets our curriculum apart from a liberal arts degree, but to stress the growing recognition within the business community and our School that effective managers need a broad understanding of the world in which we operate as well as needing strong interpersonal skills.

Understandably, these discussions are not limited to the undergraduate curriculum. We explore ideas concerning local, state, national and international economic conditions and what effect those might have on management practices. We discuss issues raised by the media—most notably *Business Week's* ("A New Era of Management," April 25, 1983) prediction that the use of technology will result in a vastly reduced layer of middle management within most organizations. And, interestingly, these discussions dovetail with the School's current planning cycle.

In 1978, under the direction of Dean David Lilly, we developed a five-year plan that would take the School of Management out of its relative isolation and insulation, and send it out to meet the challenges of the '80s. All major goals have been accomplished. And our new planning process is under way.

Last spring, I asked our faculty to spend some time during the summer looking ahead 10 to 15 years and to summarize their views on the most significant issues that will face management. This was the first step in a dialogue between the School and its customers. The faculty responses were summarized, then discussed and distilled at our September 22 faculty retreat.

At this point, major issues facing management have been condensed into six categories: international; technology and computers; innovation, creativity and entrepreneurship; government; resources; and management practice. Our Board of Overseers, at their annual meeting on October 20, reviewed and discussed the issues raised by the faculty, helping us reach consensus on the major issues that should be addressed. Then we will listen to students, alumni, and some other business groups. This will be the basis for the next step in the planning process.

Step two will involve further discussions by faculty, Overseers and others from our market, to determine curricular and programmatic changes that need to occur at the School in order for us to remain an effective, responsive, and proactive management school.

These are exciting times for all of us—fraught with uncertainties and the potential for rapid change that once belonged only to science fiction. A recent article in the paper recalled Peter Drucker's comment that "forecasting is not a respectable human activity." But we can't avoid trying to anticipate the future. Alvin Toffler (*The Third Wave*) suggests that the changes we now face are comparable in scope to the great revolutions of the past—the agricultural and industrial revolutions. Is he right? How fast will the changes come? And which of our basic, unexamined assumptions about how society functions will be made invalid in the process? The School of Management isn't the only institution that needs to come up with the right answers to these questions to assure its continuing relevance and success.

I would welcome your comments and suggestions. Feel free to phone me at (612) 373-3759. □

Self-Leadership—from page 1

which we are not likely to be able to optimally emulate anyway. The alternative involves tapping into a neglected art in organizations that may well be the key to meeting the Japanese challenge in an American way: namely, self-leadership. I have been working on a theory of self-leadership for several years now leading to my book, *The Art of Self-Leadership*, just published by Prentice-Hall. In the following discussion, I will try to briefly describe some of the ideas I have developed.

What Is Self-Leadership?

Common sense views of managing or leading ourselves bring to mind ideas such as resisting temptation, self-denial, will power and so forth. Such views, however, are too

vague to be of value to organizations. In addition, they suggest that self-leadership needs to be experienced as a

The alternative involves tapping into a neglected art in organizations that may well be the key to meeting the Japanese challenge in an American way: namely, self-leadership.

negative, sacrificial process. Self-leadership can be described in broader, more positive terms as the influence people exert over themselves to achieve the self-motivation and self-direction needed to behave in desirable ways. Everyone practices self-leadership to some degree, but not everyone is an effective self-leader. In addition, and more importantly, self-leadership is an art that can be learned and improved.

Three distinct components of a systematic self-leadership approach are:

1. A *push* approach—functional self-leadership that relies on self-imposed strategies to manage ourselves in doing difficult, unattractive, but necessary tasks. The strategies include self-goal setting, self-observation, self-reward, etc.
2. A *pull* approach—a naturally enjoyable approach that relies on discovering and building “natural rewards” into work. The objective is to create a positive identification with work that pulls us to high performance because we are committed to, believe in, and enjoy the work for its own value.
3. An *internal* approach—concentrating on establishing and altering thought patterns in desirable ways (e.g., developing a pattern of thought more attuned to opportunities than obstacles). This is admittedly the most speculative component of the self-leadership framework at present, yet perhaps the most promising in the long run.

The Challenge to Organizations

A self-leadership approach challenges organizations to expand their views of worker control to recognize the significant role of self-influence. In fact, I would argue that self-leadership is the core of the process and that what organizational control systems really do is influence each individual's self-control system. Current trends such as quality circles, Japanese management systems, self-managed work groups, and participative work systems in general all suggest a movement in this direction. The danger, however, is that workers may suddenly find themselves thrown into highly autonomous situations without the self-leadership skills to cope.

In this regard I think organizations will need to establish a new orientation toward leadership if they wish to fully capitalize on the capability of the work force in the future. An approach designed to meet this challenge is what I refer to as *unleadership*: leading others to lead themselves. This view suggests that leaders of the future will need to focus more on developing the self-leadership capabilities of their workers. An attitude of commitment to fully tapping the

self-leadership resources of workers at all levels may well be a primary factor in determining which are the excellent companies in the years to come. □

Charles C. Manz is assistant professor of strategic management and organization, University of Minnesota School of Management.

Faculty Gain Valuable Opportunity to Observe—and Participate in—Director Decision Making Process



Van de Ven

“To really get a sense of the diversity and complexity of a company, you have to have access to the functioning of various levels—lower, middle, and top,” says **Andrew H. Van de Ven**, the School's 3M Professor of Human Systems Management. He adds that by “top” he means not only the company's CEO and senior managers, but the board of directors, too.

Van de Ven, whose interests include organization design and performance, organization problem solving, and group meeting process, is naturally delighted to be getting the chance to observe firsthand—and participate in—the functioning of a corporate board of directors. In January 1983 he was appointed to the board at the Twin Cities based CPT Corporation, where he sits on the board's compensation committee. He says it has been fascinating to watch the board weighing alternatives (e.g., salary versus incentives) and considering implications (do they achieve the in-

“Serving on a board of directors is one of the best ways there is for faculty to get a global view of the problems faced by a company.”

tended effects on growth?). Although he thinks of himself as still very much a board “novice,” he's convinced that the board's consideration of concrete problems will continue to provide him with new insights into director decision making.

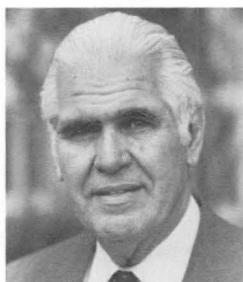
Getting an opportunity to participate in the director decision making process is something of a trick, of course. To be invited to serve on a board a faculty member must obviously have an established reputation, one which suggests he or she can make a real contribution to the board's activities. However, the School of Management has several faculty who have been serving on boards for some time, and a number of others have been added to the list in recent years. Besides Van de Ven, the roster includes: Eric Berkowitz, R. Glen Berryman, Norman Chervany, Edward

"We do so much studying of the decision making process...but sometimes things can go sour for reasons that nobody could ever have predicted and plugged into the computer."

Foster, Paul Grambsch, David Lilly, John Mauriel, A.K. Wickesberg, and C. Arthur Williams.

It's a trend that many at the School would like to see continued, including acting dean **Edward Foster**. Foster, who was appointed to the board of North Central Life Insurance last winter, says that serving on a board of directors is one of the best ways he can think of for faculty to "get a global view of the problems faced by a company." He thinks being on the board at North Central Life will continue to be very interesting and challenging. As a smaller concern dealing mainly in credit life insurance, the company is very sensitive to economic swings—its main customers are the banks which write loans for consumer durables. Also, with the recent deregulation of the banking industry, there is the question of whether the banks will get into the insurance writing business themselves.

As acting dean, Foster feels that serving on boards is especially valuable for the opportunity it gives faculty to build working relationships with and obtain informal feedback from members of the business community. One of his chief objectives this year is to push the faculty to look carefully at the School's curriculum and try to make it even more responsive to the needs of the business community. Although the School has made significant changes in its curriculum over the past five years, Foster says, "The world is changing so quickly, we can't afford to get too comfortable."



Paul Grambsch is one School of Management faculty member who has been active on corporate boards for many years. He has served on the board at McQuay, Inc., since 1965 and on the board at Midwest Federal Savings and Loan since 1978. In addition to leading to some real friendships with various board mem-

bers, his experience on the boards at McQuay and Midwest Federal has brought together a wealth of case study examples—examples, he says, of how the decision making process works and of how it can go awry. "We do so much studying of the decision making process...but sometimes things can go sour for reasons that nobody could ever have predicted and plugged into the computer." For example, savings and loans institutions like Midwest Federal are stuck with low interest rate loans. The "obvious" solution seemed to be to go to variable rate mortgages. "But what we're finding out is that people just won't buy unless the interest rate is nailed down—they'd rather pay a higher rate than have it up in the air."

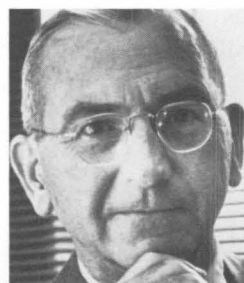
Serving on corporate boards has also accentuated for Grambsch the differences between the way a corporation is run and the way an educational institution is run. (Grambsch himself is a former dean of both the School of Management and the business school at Tulane University.) He points to the contrast in the way hiring decisions are made and successors picked. "Corporate boards operate more on a consensus basis than do academic institutions—there's no secret ballot. If major opposition is present, it needs to be worked out before a decision is made."

John Mauriel, chairman of the strategic management and organization department, maintains that his 15 years on the board at H.B. Fuller Company have greatly benefitted him academically, deepening his understanding of both the board and its limitations. "It has been particularly interesting," he says, "to see how the information is presented to the board...the kind of information the board has access to and the kind it doesn't." Mauriel teaches a course on how organizations set their objectives, and the course specifically deals with the relationship of the board and the CEO.



Mauriel acknowledges that the workload can be considerable, even overwhelming for a new board member. However, he feels that if a person is observant and can do a quick analysis—"and a faculty member has no business being on a board if not"—it does become manageable. Mauriel feels strongly that there should be more faculty members on boards, but

he does make one suggestion: any faculty member invited to serve on a board should try to arrange to spend one day a month at the company, on a consulting basis, during the first year, just to get to know the people, products, and problems. He praises Elmer Andersen for having the foresight to suggest this arrangement to him back in '68, when he joined the Fuller board; it was to be invaluable, he says.



Minnesota Insurance Industry Professor **C. Arthur Williams** is another faculty member who has served for many years on a corporate board. Williams joined the board at the St. Paul Companies in 1975, after spending five years on the board at the American Hardware Mutual Insurance Company (1970-75). Serving on the

board at the St. Paul Companies has been one of the best experiences of his career, according to Williams. "The company is an industry leader...being there has greatly broadened my perspective on issues I felt I already knew a great deal about." (Another former dean of the School, he has consulted extensively with both private industry and

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School of Management Breaks Ground for New Building

The planning for a much needed addition to the School of Management building began in 1978, and, on October 20, 1983, those plans moved a step closer to reality when ground was broken for the new structure.

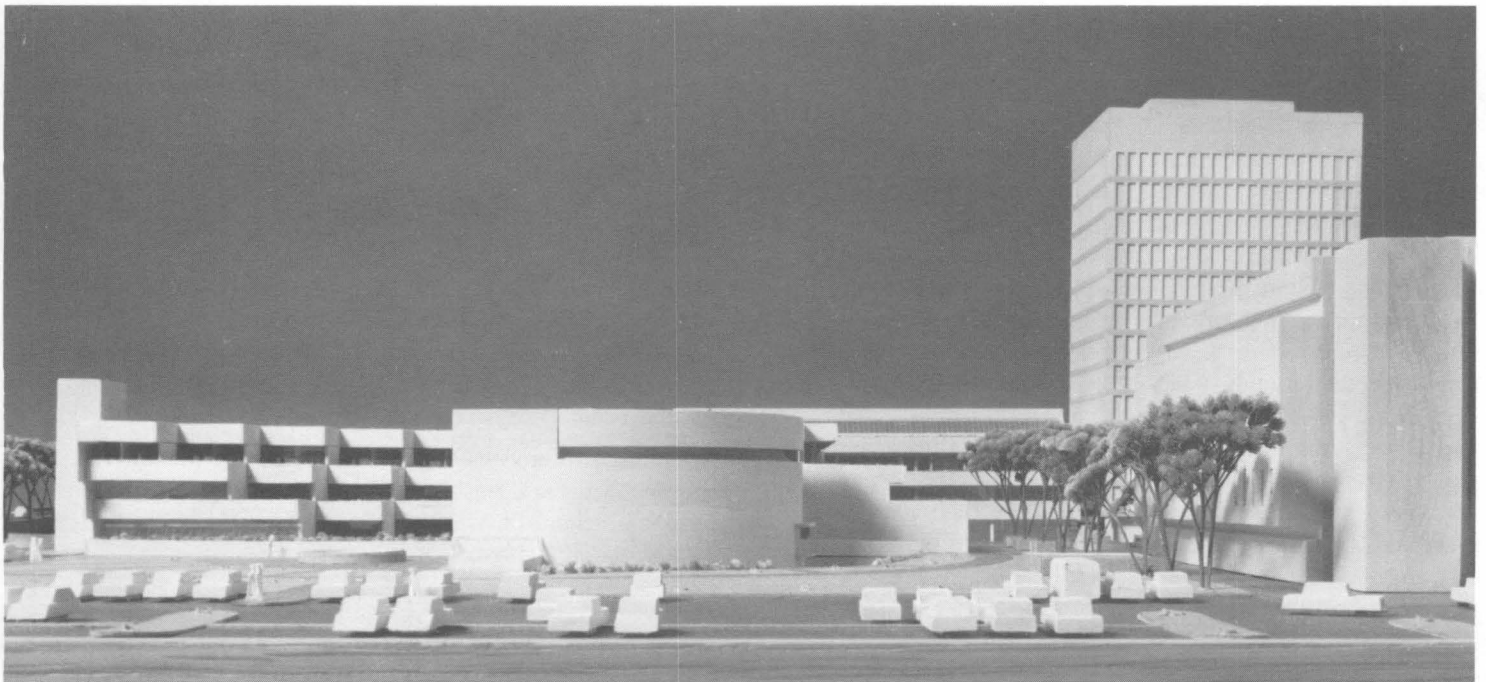
The new \$18.2 million building will be built to house the School of Management, the Hubert H. Humphrey Institute of Public Affairs, and the Center for Urban and Regional Affairs (CURA). It will encompass 150,000 square feet and will be connected to the Management and Economics Building on the west bank of the University campus. The School of Management portion of the new building will house the placement office, undergraduate and graduate studies offices, the Executive Development Center, the management science department main office, the Management Information Systems Research Center, and the Operations Management Center. The School of Management will retain its space in its existing building, which will undergo some remodeling as part of the new building project.

"We are delighted that the School of Management, the Humphrey Institute, and CURA are going to be joint tenants in the new building. So far, we are only beginning to take advantage of the possibilities of working together, and as the School, the Institute, and CURA come closer together, and as our association becomes more frequent, I know that we will strengthen our ties and our partnership."



Groundbreaking ceremony (L to R): C. Peter Magrath, President, University of Minnesota; Wenda W. Moore, Regent, University of Minnesota; Richard L. Schall, Chairman, Board of Overseers, School of Management; Hubert H. (Skip) Humphrey III, Attorney General, State of Minnesota; Muriel Humphrey Brown; Harlan Cleveland, Director, Hubert H. Humphrey Institute of Public Affairs; and Edward Foster, Acting Dean, School of Management.

Model of new building with Management and Economics tower in right background



remarked acting dean Edward Foster at the October 20 groundbreaking ceremony.

Facilities shared between the School of Management and the Humphrey Institute in the new building will include six classrooms, a conference center, and a 250-seat dining room overlooking the building's sub-plaza.

Foster also commented: "We've been experiencing a critical shortage of space in recent years due to the growth of the School. Since 1980, we've had to house over 160 graduate and teaching assistants in a rented off-campus facility about two blocks from the School. We also had to reduce our student commons areas because of our space problems, which means that since 1980 our students virtually have had no space to call their own in our current facility. The new building will be a great relief to all of us, because we'll be able to move our people back to campus and reinstate our student commons areas."

"...and the message is that education, industry, and the government are each committed to the idea of working together in order to help the economy and the people of the State of Minnesota."

The Leonard Parker Associates designed the building, and Robert Irwin designed an exterior plaza to complement the surrounding area. Other features include a three-story atrium, the use of some sodded roof space, and windows designed to control a southern exposure to the sun. A new parking ramp, which will accommodate 700 cars, is also being built on the West Bank, with partial completion scheduled for January 1984.

At the groundbreaking ceremony (which preceded the School of Management's annual Board of Overseers meeting), Richard L. Schall, chairman of the School's Board of Overseers and vice chairman of the board and chief administrative officer of Dayton Hudson Corporation, said, "Today's ceremony is a symbol of a great commitment to the people of Minnesota. A bargain of sorts was struck a few years ago, and the results of it have turned out to be a happy ending for everybody involved. The School made major moves to redefine itself in order to serve its market, and the business community provided the additional resources necessary to support the redefined mission of the School. The legislature, which provides the operating budget for the School, also provided the support to make sure that the School has the building—and the environment—to allow it to carry out its teaching, research, and service roles effectively. The actions of these three groups send a major message to the people of Minnesota, and the message is that education, industry, and the government are each committed to the idea of working together in order to help the economy and the people of the state of Minnesota."

Completion of the building is expected during the fall of 1985. General contractor is M.A. Mortenson Company, of Minneapolis. □

Roering Named to Gerot Chair



Roering

Kenneth Roering has been named to the Paul S. Gerot Chair in Marketing at the School of Management.

A gift of The Pillsbury Company, the chair was established to honor Gerot, who served as Pillsbury's chief executive officer from 1952 to 1967. Roering was chosen through a national search that lasted approximately two years.

The purpose of the Gerot Chair is to provide leadership to the marketing department in teaching and research programs in areas of interest to practicing managers and in communicating with the business community.

"We are pleased that after an extensive search the University has decided to appoint Dr. Roering to the Gerot Chair," comments John M. Stafford, president of Pillsbury's Consumer Food Group. "Dr. Roering's qualifications are ideally suited to the very demanding criteria established for the chair. The chair is an excellent way to assist the University and to honor Paul Gerot, whose contributions have meant so much to The Pillsbury Company."

Emphasizing his commitment to academic research and teaching programs that attempt to increase the effectiveness and productivity of marketing managers, Roering says, "The Twin Cities business community is, in my estimation, the best place in the country to participate in research and teaching programs that address issues that have a significant impact on the marketing profession."

Roering is vice president of the American Marketing Association. His chief research interest in recent years has been consumer marketing, and results of his research have been published in numerous professional journals and books, including *Journal of Marketing*, *Journal of Advertising*, *Journal of Applied Psychology*, *Behavioral Science*, *Journal of Conflict Resolution* and *Journal of Business Research*. He is co-author or co-editor of five books, including a popular textbook, *Essentials of Consumer Behavior*. He is on the editorial review board of the *Journal of Marketing* and the *Journal of Marketing Research*.

Roering has industrial experience in both product- and service-oriented firms and during the past 15 years has been actively involved in consulting and executive development. His local clients include 3M, Graco, First Bank Minneapolis, the Federal Reserve Bank, and Honeywell.

After being offered the Gerot Chair, Roering was offered and declined the deanship of Purdue University's Krannert Graduate School of Management. □

An Interview With Paul S. Gerot

"Usually, when they name a chair after you, you're six feet under," quipped Paul S. Gerot, retired chairman and chief executive officer of The Pillsbury Company. Gerot was referring to the Paul S. Gerot Chair in Marketing, established at the School of Management in 1981 through a gift from Pillsbury and recently filled by Professor Kenneth Roering (see story on preceding page).

In a recent interview, Mr. Gerot openly admitted a strong bias toward the marketing function and shared some of his views based on his 48-year career with Pillsbury, where he is credited with the successful development of consumer food products after World War II.

—How do you feel about having a chair at the University named after you?

Gerot: I feel very much honored. I'm not sure it's deserved, but I feel very happy about it.

—What do you hope the School of Management's marketing department might contribute?

Gerot: I think the great contribution to this community is, in fact, a lot of very high potential. Young men and women are now truly being trained and educated in the field of marketing. Marketing has reached such an advanced stage in the last 10 years or so that young people entering this field have tremendous opportunities if, in fact, they have the proper background.

The importance of marketing is showing up within more and more companies as they begin to realize that market shares are quite important to the bottom line. There are many ways to get to the bottom line, but anything short of market share improvement can be rather short-term. So, I think that Minnesota has a great opportunity to develop sophisticated marketing people who can make quite a contribution to industry.

And I would assume that many of the men and women who graduate from the School would consider connections in Minnesota, where there are quite a number of companies with international business that would require a very competitive edge in marketing. You can't have all the marketing people in Cincinnati and New York and Chicago. You'd best get them here.

—Do you have any words of advice for marketing managers or those planning on entering the field?

Gerot: I think that they would want to give special emphasis to the commitments of the companies that they might be interested in joining. How strong is the company's commitment to this matter of marketing? Do marketing people have a way of being felt clear through to the top, or are they isolated?

It used to be thought that marketing people were hucksters, and that's changing. Still, it's changing more with some companies than with other companies. Are there any marketing people on the board of directors? Does the president of the company acknowledge marketing?



Gerot

The chief executive officer, does he acknowledge marketing?

I think they should give attention to the amount of research, both technical and commercial research, that the company provides. They would also want to feel out the past record of the company. Are they a name with a mature product line or are they really committed to the development of new lines, either through acquisition or through their own research? In simple terms, do they have a new product policy or program?

I think that the big issue is to find the right field. If it's the food field, then it would be rather easy to figure out which companies are moving. A good, smart marketing man or woman will get into a company that's committed to growth in terms of building a franchise on their greatest product.

—What are the keys to success for a good marketing campaign?

Gerot: First, quality. Then, the attractiveness of the label. Third, a good marketing campaign. In the food business, it's pretty hard to ask people to eat or consume more cake mixes, when there are a lot of people that don't use cake mixes. So, a successful marketing campaign must be directed to those non-users.

Of course, one of the keys to the success of any campaign is the sophistication of the advertising agency. In other words, are they creative? I recently attended a meeting at the Guthrie Theater with perhaps as many as 2000 people. The showed new commercials on various Pillsbury products, and we were absolutely amazed at the applause that the people were giving to those commercials. That kind of excitement must be really gratify-

Continued—page 14

Board of Directors—from page 4

state and federal agencies; he has also co-authored a book on risk management and insurance, now in its fourth edition.) Williams remembers, for example, the audit committee's work on determining the company's loss reserve policy. "Listening to the presentations of the experts and consultants was like going to a high-powered seminar."

Williams admits that when he was asked to join the board of an insurance company, he initially had some reservations—he wondered whether government agencies and others might question his objectivity on insurance issues. However, this has never turned out to be a problem. Describing the St. Paul Companies as a thoroughly public-minded organization, he comments: "I've never felt hampered from saying what I think." He adds that he experienced the same freedom and benefits in his earlier connection with American Hardware Mutual.

Despite the often heavy time demands, all of the faculty board members shared the general sentiment: "I get more than I give." Some of the other corporate officers serving with them on the board don't see it quite that way, though. Carl Drake, of the St. Paul Companies board, says of Williams that he is "one of the few board members who actually understands insurance and how it works," and adds that he is "a good researcher and an excellent sounding board." Moreover, the feeling that faculty members serve as an "integrating" influence, bringing a different, needed

perspective, is expressed by several corporate officers serving on the boards. For instance, Charlotte Masica, number two officer and a member of the board at Midwest Federal, comments that Paul Grambsch brings to the board a broader, "more generalist" viewpoint than most of the other board members, who tend to see things in terms of their specific fields. Grambsch, being an educator, always seems to be up on current developments in a variety of fields. By contrast, she says, "Board members are not always currently active in the day-to-day operation of a business, and may be relying on past experience...even those who are active in business tend to focus their reading very narrowly."

Jerome Jenko, vice president for sales and secretary of the board at CPT, has a similar evaluation of Andrew Van de Ven: "Andy brings a perspective on what other companies have done...he makes us look at things from all sides." David Croonquist, vice chairman of the Fuller board, speaks of John Mauriel forcing the board to consider all of the options, even in instances where there doesn't seem—at first glance—to be many. "Once you sit down and think about it for awhile, alternatives always present themselves."

Perhaps in the final analysis, the boards and the faculty can benefit each other equally. This was essentially Van de Ven's summary of what the opportunity of serving on a board represents: "... the building of a partnership, a two-way street allowing the practitioners and academics to come to know each other's needs, problems, and strengths." □

Quality and Accessibility Seen as Keys to Improving U's Contribution to Minnesota Economy

To improve its contribution to the economy of the state, the University of Minnesota should raise academic standards—both in its undergraduate and graduate programs—and find ways to speed the transfer of new knowledge and technology to the outside community, according to a task force report presented to the Board of Regents in August.

The report represents six months of careful research and discussion by the Task Force on Higher Education and the Economy of the State, appointed by University president C. Peter Magrath in February to pursue one of five themes in the University's current planning cycle. The 23-member panel was composed of faculty, staff, and students from across the University system and was chaired by David Lilly, former dean of the School of Management and currently acting vice president for finance and operations. Among those serving with Lilly on the task force were School of Management faculty Carl Adams and Kenneth Roering. David Merchant, associate dean for external affairs, served as secretary to the task force.

The task force report notes that the University has a "long history of attracting enormous financial and human resources into the state." However, it recognizes that the University faces some important challenges in the years ahead. One of the most significant, in the panel's view, is the challenge posed by the "extremely rapid rate of change and increasing sophistication of science and technology," a trend which implies the need for up-to-date faculty and equipment. To help Minnesota businesses move with—and capitalize on—this change, the report recommends the creation of a "technology transfer council" under the aegis of a proposed vice presidential position for external relations. The report also touches upon the need for the University to revise its current patent policy and to take a close look at its faculty compensation system. "At present, many researchers fail to take on additional and worthwhile tasks because they have no way to gain appropriate compensation."

Besides advocating that academic standards be raised, the panel recommends that the University intensify its recruitment of out-of-state and foreign students. The student body at the University is one of the most locally based of the Big Ten and major private universities, and the task force argues that this "relative homogeneity" makes the

University less attractive to some of the state's better students. This homogeneity also hurts University students, since companies that seek a variety of backgrounds in their employees are forced to recruit more heavily in other states. "People equipped with appropriate knowledge," says the report, "are the ultimate economic resource, and Minnesota must act decisively and effectively to recruit its share of the national and international talent, much of which may stay in the local economy once it attends school here."

Many of the recommendations focus on increasing the University's accessibility to the outside community. For example, an open house could be established to give businesses first-hand knowledge of research units' work and how they might be used in cooperation with business. Another suggestion is that the University compile a list of faculty and staff interested in working with business. One-page resumes and key words describing each person's areas of expertise would be entered on a computer data base, making it much easier for outside organizations—especially small businesses—to identify interested personnel.

Before making its report, the task force conducted two major surveys: one asked approximately 150 representatives of the business community and government for their impressions and concerns about the University and how it could contribute more effectively to economic development; the other asked approximately 120 deans and department heads how their units could make a more important contribution to the state economy. The task force recommendations are currently undergoing study and evaluation by the administration and the Faculty Senate Consultative Committee. □

Professional Management Programs, the School of Management, and You

by Norman L. Chervany



Chervany

In July 1983 I became the director of a new program division in the School of Management, the Professional Management Programs. This division combines under a common management umbrella two previously existing, separate programs—the MBA Program and the Executive Development Center (EDC) Program. With respect to the

MBA this combination involves three almost identical, but separate MBA Programs. The Day MBA Program is the traditional, full-time program; the Evening MBA Program, the part-time program for people holding full-time positions in the community; and the new Managers' MBA Program, a full-time, all-day-Friday program designed for managers with at least ten years of experience.

The Executive Development Center's contribution to the new division involves a set of programs designed for the non-de-

gree seeking, practicing manager. In the general management area, these programs include the Minnesota Executive Program (a program in management strategy), the Minnesota Management Institute (a program for operating managers), and the Minnesota Management Academy (a program for new, front line managers). In the functional management area, programs are offered for the MIS executive, the controller, the operations manager, and the sales manager.

This combination of the two program areas was undertaken for two basic reasons. The first reason involves the consistency and effectiveness of the School's linkages to its customers. Both the MBA and EDC programs are directed at the development of managers. The Day MBA Program focuses on the education of new managers, quite often people involved in significant career changes from other professions. Graduates of this program represent new employees for the hiring organizations. The Evening MBA, the Managers' MBA, and the EDC programs focus upon the continuing education of people that are already employed. The potential students of each of the School's programs are different, because the programs are aimed at different market niches. But, when viewed at the employing organization level, all of the School's programs are aimed at the same set of customers. The creation of the Professional Management Programs division is designed to facilitate the interaction between the School and its marketplace. A better understanding of the similarities and differences in the educational needs of the different market segments is obtained. The effectiveness and efficiency of the School's marketing and sales effort is increased.

The second reason for the combination of the MBA and EDC programs in a single division within the School involves program design. You do not have to read the popular business press very extensively to recognize the serious challenges facing management practice and management education. Three of the pieces that I find particularly insightful are Peters and Watermann's book, *In Search of Excellence*; the *Business Week* (April 25, 1983) special report entitled, "A New Era for Management"; and the *Corporate Report* (April 1983) article entitled, "Ten Lessons I Didn't Learn In Business School." These three works identify numerous problems with and suggestions for contemporary management. While space does not permit listing their points, their conclusion is that in order to be successful in the last part of the twentieth century, management practice and management education must change. Having all of the graduate and professional management programs in a single operating division will increase the Schools's ability to define and implement a consistent response to these challenges across all of its programs.

The School is currently engaged in an effort to define the issues that will face managers over the next ten to fifteen years and to assess the implications of these issues for the School's educational and research programs. At this point in time, I do not know what the results of this analysis will produce. But, in my opinion, there will be four major im-

plications for our educational programs—including both the MBA and EDC programs:

1. The curriculum design and the teaching methods will be based on an *explicit* model of the process by which managers develop. (The current curriculum development process has been based on a more informal model of the managerial development process and has tended to focus more on what managers need to know than on how they develop.) This explicit model will guide the incorporation of more effective practical experiences and peer/mentor relationships into our programs.
2. The curriculum will place even more emphasis on the inclusion of the theoretical foundations of management than is currently done. It has become faddish to criticize management education as too theoretical and not practical. I believe this criticism is inappropriate. In the same way that you would not want to undergo surgery with a doctor that didn't understand the physiology of the body, you shouldn't trust the management of your organization to managers that don't understand the underlying principles that motivate people. In the same vein, you shouldn't trust the management of your organization to managers that don't understand the underlying principles involved in the evaluation of new products or manufacturing alternatives. The issue is not one of theory *or* practice. Rather, the issue is one of the synthesis of useful practice *and* relevant theory. Management without
3. an understanding of the underlying cause-and-effect relationships (theory) is destined for mediocrity.
3. The curriculum will contain an altered balance between analysis and implementation. One of the hallmarks of management education over the last twenty years has been a significant increase in the development of improved analytical methods: Great advances, for example, have been made in ways to analyze capital budgeting decisions or worker job satisfaction. Unfortunately, similar advances have not been made in ways to implement the changes suggested by the capital budgeting or job satisfaction analyses. The curriculum will be modified to contain a more effective blend of analysis and action.
4. The curriculum will contain an increased emphasis on a number of topics that have emerged as critical for the remainder of this century. These will include international business, utilization of the rapidly changing electronic office/management technology, and the management of rapid change.

Work on the new directions for the School's educational programs is now in progress. I welcome your ideas concerning the critical issues facing management and how the School could better address these issues in its educational programs. Call me at (612) 373-3585. □

Norm L. Chervany is professor of management sciences and director, Professional Management Programs.

New Center Will Help Companies Compete Through Operations

It's hard to pick up a newspaper these days without finding some discussion of U.S. productivity, quality problems, or foreign competition. How can U.S. businesses compete more effectively through operations? The need to find some new answers to this crucial question has become apparent to just about everyone in business today.

One exciting development in this area is the School of Management's new Operations Management Center (OMC), founded this summer under the direction of Prof. Roger G. Schroeder. The center's mission is actually two-fold: to help improve the performance of Twin Cities business operations while contributing to the general advance of knowledge in the field. The center will focus on what Schroeder calls "leading-edge problems," as distinguished from more routine problems which companies should be able to solve themselves, with the allocation of reasonable attention and resources.

Funding for the center's research and other activities will come from \$5,000 annual grants from sponsoring companies. This year the center is supported by nine sponsors, representing a wide range of industries: Bachman/Anderson, Inc., Cargill, Comserv Corporation, Donaldson Company, First National Bank Minneapolis, Honeywell, Northern

States Power, Tennant Company, and 3M. Schroeder says the center hopes to have a total of 20 sponsors within two years.

What sets the OMC apart from many other "think tanks" is the close working relationship it is forging between Twin Cities operations managers and the School's seven-member operations management faculty—one of the largest and strongest in the country. Improving communication between these two groups is one of the center's primary goals. For example, to help the center sharpen its focus on the needs of the business community, a meeting was held in August with School of Management faculty and senior managers from the nine sponsoring companies. Out of this meeting came a list of 15 issues identified by the group as representing "the most critical problems and opportunities facing operations over the next five to ten years." Top-ranked problems include: "quality"; the development of trained managers and supervisors; managing the human/interpersonal aspects of change; creating an innovative environment; and productivity.

This list in turn served as a set of guidelines for faculty in developing research proposals. To date the center has approved three projects for funding out of its 1983-84 operating budget of \$45,000. (Funds will be used for supplemental, especially summer, compensation for faculty engaged in the research and to pay graduate research assistants.) In addition, four more projects are currently in the

hopper and are expected to win approval soon.

OMC research will not focus on solving specific operations problems of individual sponsors but will focus instead on general issues (e.g., white-collar productivity, operations strategy). Still, Schroeder emphasizes that the sponsorship fee "should not be viewed as a charitable contribution." A number of direct services are provided to sponsoring companies, including priority in specifying MBA field projects (these are conducted each year in actual business settings by a team of MBA students), and a full day of consulting by a member of the operations management faculty (consulting fees will be paid out of OMC funds).

Representatives from the sponsoring companies will also take part in a number of OMC programs to be held each year. Quarterly roundtable discussions will give managers a chance to meet with peers and tackle topics of current interest. (A limited number of faculty may participate in these small-group meetings, but primary responsibility for facilitating the discussion will rest with the managers.) Finally, company representatives will be invited to attend an annual OMC forum. During this two-day event, faculty and outside speakers will make presentations concerning the latest developments in the field.

The School of Management believes this cooperative University/business effort will result in a significant contribution to answering the question, "How can U.S. businesses compete more effectively through operations?" For more information about the Operations Management Center, contact Roger Schroeder at (612) 376-2437 or (612) 373-4364. □

Join Your Company in Supporting the School of Management

Over 900 companies match employee contributions to colleges and universities, and many firms extend this benefit to retired employees, board members, and spouses. Some companies match donations on a two-for-one or three-for-one basis. Please check with your personnel office to see if your company has a matching gift program. If it does, your gift to the School of Management can go so much further. Just send your company's matching gift form to the School and your gift will be doubled—or even tripled!

A Helping Hand...

The School of Management has two annual scholarship programs (offered through the Executive Development Center) designed to provide critical professional management development to selected individuals...and their organizations.

The Competitive Edge Program: The state and the region have a vital resource in those companies, now small, which have the capacity to emerge as the major corporations of tomorrow. The School of Management, in partnership with *Corporate Report* and the *Minnesota Business Journal*, provides annual Professional Management Program scholarships to key decision-makers of these "emerging" companies. Selected managers from companies with annual sales of \$2-10 million attend the four-week Minnesota Management Institute acquiring information and skills essential to their continued personal and organizational growth. Congratulations to the 1983-84 recipients: Sherry L. Turtle (controller, Computer Options, Inc.) and William J. Rogers (sales manager, Sylvan Products, Inc.).

The CHART Scholarship Program: CHART is an established not-for-profit organization. Headquartered in Minneapolis, CHART offers vital professional career development services to women of this region. To assist this important effort, the School of Management has joined with CHART to offer annual scholarships for women in management. Selected managers attend the nine-day Minnesota Management Academy, which builds essential management skills. Congratulations to the 1983-84 recipients: Mary Cayan (project coordinator, Anoka County Community Action Program) and Esther E. Maki (account executive, Kolesan and Hartwell, Inc.). □



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Mapping—from page 1

In this brief space I would like to share with you some reasons why I think this state of affairs might be so, and some of the implications of this fact for the design work, particularly the kind of work that involves large amounts of problem solving and decision making skill.

For the past several years I have been studying the behavior of individuals who are expert in various fields within one of the major professions (management, law, engineering, and medicine). In doing this work my students and I typically spend a great deal of time interviewing and examining the behavior of individuals at various levels of training and experience. Very often our interviews include carefully prepared tasks in which we ask individuals to “think aloud” while demonstrating their problem solving or decision making skill.

...we lose conscious awareness of what we know. I call this fact the “paradox of expertise.”

In the course of doing this work we have discovered an interesting thing. As it turns out, individuals who practice a lot and become very proficient at some specific task or class of tasks tend to lose track of what they know. Michael Polanyi, a philosopher, referred to this aspect of our behavior by saying that much of our knowledge is “tacit.” That is to say, as we become very experienced at some task, we change the way we do it; and because of some interesting quirks in the design of the human information processing system, the consequence of this change is that we lose conscious awareness of what we know. I call this fact the “paradox of expertise.” It means simply that those who become expert in our society, whether at diagnosing a disease or developing policy alternatives for corporate planning, tend to lose access to the basis for their own knowledge and skill.

The consequences of this paradox are far-reaching in their impact on our society. For one thing, the paradox of expertise helps explain the dilemma of professional education described by Schön. In perfectly sensible fashion, we choose experts to teach those whom we wish to educate. But these are the very individuals who are least aware of how they do things. Some years ago, when I was working with an expert in medicine, I discovered that he did not seem to teach students what I saw him doing in the clinic and on rounds. When I confronted him with this fact, he responded by saying, “Oh, I know that; but you see I don’t know how I perform a diagnosis, so I try to create plausible things for students to learn and hope they can convert them into effective procedures.”

But the paradox of expertise goes beyond professional education in its implications. One area in which I have been working in the last several years in collaboration with colleagues in computer science is the embodiment of expertise in a particular type of information system sometimes called

an “expert system.” Now, the information scientist has known for a number of years that the decision making process can be aided by providing a computational resource that would perform the more mundane and tedious aspects of a complex task. More recently, however, we have discovered that it is possible to provide computer aids at fairly high levels of decision making and problem solving skill, such as medical diagnosis, mineral exploration and VLSI chip design. Tasks that heretofore involved great complexity and required many hours of work and much skill to perform, or that required keeping a large number of facts and possibilities in mind at one time, can now be carried out more readily and with fewer errors than before, provided we have resources that embody the right kind of information. We have created the possibility of building an “intelligent” system to help those who perform many of society’s more complicated and demanding tasks.

But there is a catch! In order to write a program that embodies the knowledge and skills of an expert manager, engineer, or physician, we must first have that expertise represented somewhere, and this is just what we do not have. It is not in books; it is not in monographs or journals; and it is not in classrooms or laboratories. Rather, it is locked deeply in the minds of executives, engineers, and doctors; and before we can set about building a new generation of information systems we must first devise means to extract this expertise from the minds of the individuals who have it.

...we must first devise means to extract this expertise from the minds of the individuals who have it.

Although the development of tools for capturing the knowledge and skill of expert decision makers is just beginning, there are few tasks more worthwhile. The intrinsic value of expertise in our society is enormous. It is a scarce commodity whose refinement and reproduction creates wealth. It takes years, sometimes decades, to achieve. And if we can extract and put it in computable form, we will reduce the cost of knowledge reproduction and exploitation for generations to come. □

Paul E. Johnson is professor of management sciences and psychology, and director, Ph.D. program, University of Minnesota Graduate School of Management.

School Names Four to Board of Overseers

The University of Minnesota School of Management has named four new members to its Board of Overseers, an advisory body.

They are: Pierson M. (Sandy) Grieve, chairman and chief executive officer of Economics Laboratory; Dean Scheff, chairman and president of CPT Corp.; John M. (Jack) Stafford, president of Consumer Foods at The Pillsbury Company; and David Lilly, acting vice president for finance and operations at the University of Minnesota and former dean of the School of Management.

Members of the Board of Overseers are appointed for three-year terms. The appointments were made by acting dean Edward Foster.

Grieve joined Economics Laboratory in January after leaving his post as president and chief executive officer of Questor Corporation, of Toledo, Ohio. He holds a bachelor's degree in business administration from Northwestern University and did graduate work at the University of Minnesota.

Scheff incorporated his firm, CPT, in 1971. The word processing company provides sales and service in 600 cities around the United States and in 60 foreign countries. Scheff earned a bachelor's degree in economics from the University of Minnesota.

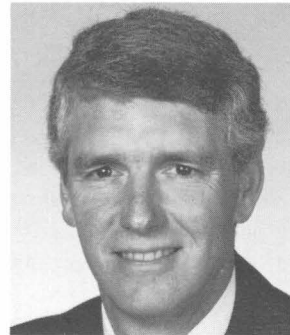
In 1975, Stafford joined Green Giant Company, where he was executive vice president and chief operating officer. Before joining Green Giant, he was senior vice president for marketing for Kentucky Fried Chicken. A native of St. Paul, Stafford earned a bachelor's degree from Yale University. He is a director of The Pillsbury Company and Minnetonka, Inc., and a trustee of the Guthrie Theater and Breck School, in Minneapolis.



Grieve



Scheff



Stafford



Lilly

Lilly served as Toro's chief executive officer for 23 years before moving to Washington in 1976 to serve on the board of governors of the Federal Reserve Board. He returned to Minnesota in 1978 to serve as dean of the University's School of Management. He is a member of the boards of directors of the St. Paul Companies, Honeywell, First Bank System and Toro. □

Trade Symposium for Companies Thinking of Doing Business in Japan

The School of Management and the University of Minnesota Law School have joined with approximately ten other U.S. and Japanese organizations in co-sponsoring "Doing Business in Japan," an intensive trade symposium to be held in Tokyo and Himeji, Japan, May 28 through June 1, 1984. Organized by the Japan External Trade Association, Minnesota Continuing Legal Education, and the Japan Trade Center, the program has been specifically developed to help small and medium-sized businesses and their legal counsel successfully penetrate Japanese markets and establish profitable commercial relationships with Japanese companies. The symposium will also be valuable for marketing or international personnel of many larger companies.

The program's emphasis will be practical, rather than theoretical. The symposium will give participants an overview of relevant trade and economic policies and of Japan's distribution system, and it will also focus on such "nuts and bolts" issues as how to identify a potential trading partner, how to negotiate a deal, and how to market a product in Japan. Participants will take part in an orientation program designed to sensitize them to important cross-cultural issues. Informal meetings with Japanese business leaders and government officials have been scheduled following the educational sessions, and there will be specific opportunities for each participant to meet with potential business partners.

The symposium's organizers indicate that initial interest has been strong. For more information or to register, contact: Gary Setterberg, associate director, Minnesota Continuing Legal Education. Phone: (612) 227-8266. □

ing to those who developed them, because it definitely indicates consumer interest. And there's nothing worse than a dull television commercial.

I guess I'm saying that the success of any marketing plan depends in great part upon the creativity of your advertising agency. Marketing is becoming very competitive, and I don't think that's necessarily a problem. I think that's an opportunity.

—Is there anything in your career that you would have done differently if you could back up and have another shot at it?

Gerot: Yes, sure. I'd love to have another shot at it—if I were 20 years younger. Of course, a lot would depend upon the company I was with and what I could see as the needs of the company from a marketing standpoint. I would certainly think there's an opportunity and almost a requirement for the marketing person to have some contact with the chief executive officer of the company. I would see to it that we had at least one very highly sophisticated marketing person on the board of directors. I would press for that. If I didn't have the authority to make the appointment, I would press those who had the authority to do so.

And I think I would ask that the incentive plan be structured in such a way that it would not be based entirely upon fulfilling budgets or plans. In other words, I would not base all income on financial results. To make marketing a higher priority, I would have within the incentive plan or bonus plan a provision for rewarding marketing people who showed demonstrable improvement in market share. Or to put it another way, I would penalize loss of market share.

Take the food industry, for example. Shelf space in supermarkets goes at a premium, and supermarket operators, with their computer systems, are keeping track of turnover better than ever before, because they know this is a vital element for their survival or success. Years ago, a brand might be in a third market share position and still expect to be profitable, healthy, etc. But today, if you're not a strong number 2, you're not going to be successful. This puts marketing into a higher priority in the scheme of things. There's very little profit in a brand that has a third market share position, whereas the guy in number 1 position—a strong number 1 position—is really in a position for a long-term profit. If he takes care of it.

In selecting a company, one should look at whether the company deals entirely in mature markets. For example, not so many years back, the Pillsbury Company was pretty much a flour milling company. That is a mature business and has been for years. There are opportunities for profit in that business, but in terms of real growth, that's a tough way to grow. So, I think the maturing of

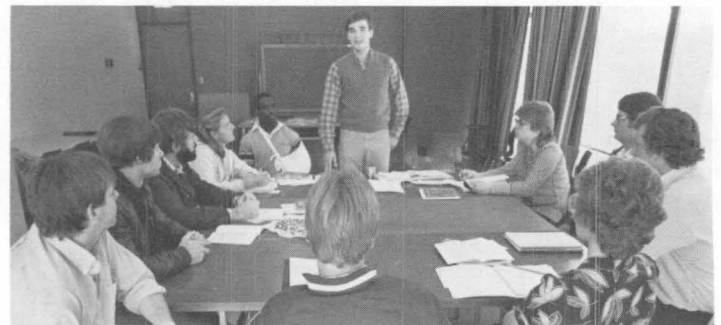
the brand of any given company is important. It's *terribly* important if in fact there's not a new product program of importance.

Editor's Note: Our thanks to Paul S. Gerot for this interview and for his support of our efforts. The School of Management is proud to have the Paul S. Gerot Chair in Marketing.

Seminars Emphasize Personal Skills for Young Managers

Julie Carson, director of the School of Management's undergraduate program, is coordinating a series of 8 to 10 half-day seminars dealing with personal and business skills. Business leaders from major Twin Cities companies are teaching the noncredit fall quarter sessions, open to all management juniors and seniors.

A committee that met in 1981 to reshape the undergraduate curriculum recommended the seminars. The revised curriculum places a greater emphasis on the liberal arts, and the professional development meetings are meant to help students "polish those nonacademic aspects of management that are important to the success of a young manager," Carson said.



Students explore personal and business skills

Carson chaired an eight-member advisory board composed of Twin Cities business leaders that selected the seminar topics. The board solicited topic suggestions from students through a survey distributed at Business Day in April. "We tried to balance student opinions of what they considered to be important with the opinions of the people hiring them," she said.

Although board members and students had some similar suggestions, Carson noted that communication skills were valued significantly higher by the business leaders than by students.

The seminars will include a writing laboratory in which students will analyze the style and effectiveness of their own writing.

Other seminar topics include assertiveness, conflict management, effective listening, dressing for success, placement, office politics, presentational skills, and community involvement. □

Distinguished Theorist, Eric Trist, is Fall Quarter Visitor

Eric Trist, internationally renowned organizational theorist and psychologist, has been a visiting professor for fall quarter 1983 in the Department of Strategic Management and Organization. Prof. Trist is well known for his work on autonomous work groups, which have been an important element of industrial democracy in Europe. The autonomous



Eric Trist and Andrew Van de Ven

work group, a self-led, self-regulated unit, has become a basic component of many new organizational plans—from office to assembly line—around the world. He is also well known as a founder of the Tavistock Institute in England and of graduate programs in social systems sciences, which bring the behavioral and managerial sciences together in an open systems approach, at various U.S. educational institutions.

Coming to the field of organizational studies from a long academic journey that includes both English literature and psychology, Prof. Trist is currently interested in the macro organization area. In recent years, the contextual environment (economic, technological, social and political) has moved to higher levels of complexity and interdependence. This in turn has generated a higher level of uncertainty. Under these conditions, traditional forms of planning, organization, and management are becoming increasingly dysfunctional—i.e., there is a mismatch between our institutional arrangements and practices. Trist hopes to discover and test out new modes of response capability which will remedy this situation and make possible our passage to a viable human future.

While resident at Minnesota, Prof. Trist is working on his forthcoming book with Howard Perlmutter, *Social Architecture for a Human Future*, teaching a course on the same subject, and delivering informal seminars to various groups. □

National Institute Held at Minnesota

During June and July the School of Management hosted the first Information Systems Faculty Development Institute, an intensive five-week program sponsored by the American Assembly of Collegiate Schools of Business (AACSB).

The institute was organized to help business schools deal with the alarming gap between demand and supply in the management information systems (MIS) field. With the number of students requesting MIS courses on the rise—and more and more students with MIS training opting for jobs in industry rather than graduate school—the shortage of trained MIS faculty threatens to reach crisis proportions in the next few years. (A recent AACSB report found nearly 16 business school openings for every Ph.D. grad with an MIS specialty.)

The institute was developed especially for business faculty teaching in areas other than MIS but was also open to faculty and doctoral candidates in MIS-related fields outside of business. Its goal was to provide participants with the information and skills necessary to teach a basic data processing or MIS course, as well as several intermediate level courses.

The 45 participants—chosen out of a pool of over 140 applicants—came from as far away as France, Puerto Rico, and Alaska, and judging from the program evaluations, the institute was a definite success. One participant, who had previously attended quantitative methods programs at the University of Chicago and the University of Michigan, wrote: “Both of the other programs were outstanding...but I unequivocally feel that the Minnesota Institute is by far the most outstanding of the three.”

The resident faculty was made up of two University of Minnesota professors, Gary Dickson (who served as institute director) and John Lehman, and the University of Indiana’s A. Milton Jenkins. The three were joined by a group of eminent visiting faculty responsible for presenting special topics within their individual areas of expertise.

The University’s MIS department has been a leader in the field for many years, a fact which undoubtedly figured in the AACSB’s selection of Minnesota as the institute site. (A note of interest: an article in the Winter 1983 issue of *Data Base* magazine gave the *MIS Quarterly*, published by Prof. James Wetherbe of the School’s MIS Research Center, the highest overall ranking of 10 journals in the field, in terms of both its academic contribution and its practical usefulness.) Dickson indicated that AACSB has already decided to repeat the institute in Minneapolis next summer, and there is also discussion of a possible “advanced” institute. □

HELP! How Should We Approach Continuing Management Development and Education?

by Norman L. Chervany

Director, Professional Management Programs

Editor's note: This article appeared in our June 1983 issue with the middle portion omitted. It is reprinted here in its entirety.

I spend a great deal of time talking with line managers about management development and education. As I think of these conversations, three observations stick in my mind. First, managers share a strong belief in the importance of their own continuing growth and development and that of their management teams. Second, in most organizations, the management development process is *ad hoc*. Formal approaches for planning, executing, and evaluating the management development activities are the exception rather than the rule. Further, in most organizations a limited connection is made between continuing management education and the other aspects of management that contribute to the development of managers.

Where should an organization start in defining a management development plan? The answer is so basic, it's often overlooked. The starting place is the organization's long-range plan.

The above observations do not imply that all organizations approach management development in an unsatisfactory fashion. Many do it (or parts of it) very well. But, in general, the process of management development and education needs significant improvement. For example, a president of a local organization said, "I'm terribly frustrated! In the last ten years my company's been on the verge of a plan for human resource development at least three times. But something always seems to come up before we can actually implement the plan."

How should we approach continuing management development and education? The answers to the question do not, upon reflection, contain grand ideas concerning new management methods for the Twenty-First Century. Rather, the answers contain a lot of common sense. The problem is one of implementation.

Before describing my answers, however, two assumptions must be noted. First, one must believe in the importance of and the ability to develop managers into more effective individuals. Second, one must believe that the development of managers occurs through a variety of events. It does not occur just through on-the-job experience; neither does it occur just through education. Anyone who has difficulty with these two assumptions should probably stop reading now.

There are three components of the managerial development process.

1. The first, and most important component is the on-the-job training and experience. Since management is as much an art as a science, managers learn by doing.
2. The second component is the non-job-specific interactions that managers have with their mentors and peers. Managers develop through the general discussions that they have with individuals in managerial situations similar to their own. Most of these mentors and peers are within their own organizations; but many productive mentor/peer relationships involve people from other organizations.
3. The final component is formal education. Education is the basis for new knowledge, methods, and attitudes. Education is necessary for management development, but it is not sufficient unto itself. Management development education must be integrated with on-the-job training and mentor/peer interactions.

Where should an organization start in defining a management development plan? The answer is so basic, it's often overlooked. The starting place is the organization's long-range plan. In addition to assessing the opportunities for products and markets, the plan is also the basis for the assessment of required managerial resources. Armed with this assessment, the next step is to make an inventory of the management resources currently available in the organization. This will define the management development needs of the organization.

The next step is to translate the analysis into action. This involves five important, but often overlooked (or misused) management practices—succession planning, management by objectives, career pathing, planned education, and performance reviews.

1. Succession planning involves identifying which individuals are capable of filling key management positions at all levels in the organization. One of the main products of the analysis is a better understanding of what additional knowledge and skills need to be developed.
2. Management by objective (in this context) involves establishing an agreement between a manager and his/her direct reports concerning what actions will be taken to acquire the needed knowledge and skills.
3. Career pathing (including plans about mentors) is one of two basic means to implementing developmental objectives. It should be noted, however, that career pathing involves a particularly tough trade-off. On the one hand, there is pressure to have an individual in the position because he/she will do a good job *now*. On the other hand, management development sometimes requires that a relatively inexperienced person be given a position. Long-term managerial development versus short-term performance can be a tension producing decision.
4. Planned education is the second basic means of development. It involves identifying people and sending them to programs on a *regular* basis. Assuming quality people and programs, the thing that will most reduce the effectiveness of management education is the belief that it is unimportant in the eyes of "upper management." Ran-

dom selection of people and irregular usage of educational programs provides such a message.

5. Finally, the entire development process must be subjected to meaningful performance review. The effectiveness of the development activities—both career experiences and education—must be constantly reviewed. Without review, effective development is unlikely.

The essence of a good management development process is simple... The major challenge is to commit the organization's time and resources to doing it.

The essence of a good management development process is simple: identifying needs, planning succession, setting objectives, utilizing job experience and education, and reviewing results. The major challenge is to commit the organization's time and resources to doing it. The simplicity of the steps does not mean that they won't be difficult and, at times, frustrating. But compare these difficulties and frustrations to the difficulties and frustrations of not having the managerial talent the organization needs. To paraphrase the television commercial, "You can invest now or you can pay later." □

Innovation Seminar Set For Business and Technology Partners Program Companies

Put a group of chief executive officers in one room and ask them to identify key issues facing their organizations in the 1980s and '90s. One issue certain to make the list is, "How does one develop and maintain a culture of innovation and entrepreneurship within established organizations?"

"Managing Organizational Innovation and Change" is the subject of a one-half day seminar to be held on December 2, 1983, at the Hilton Inn, for members of the Business and Technology Partners Program.

Keynoting the event is Andrew H. Van de Ven, 3M Professor of Human Systems Management. Van de Ven's research focus is organization innovation. In his meetings with more than 40 chief executive officers during the past year, one of the major issues that emerged in these discussions was how best to create and maintain an atmosphere in which innovative ideas are encouraged and developed.

A panel of business leaders will address the topic from different perspectives. They include:

Innovation and Change Through New Business Start-ups—

Charles M. Denny, Jr., President and CEO
ADC Magnetic Controls

Innovation and Change During a Period of Retrenchment—

William A. Hodder, President and CEO
Donaldson Company, Inc.

Corporate Innovation—

Dean Scheff, Chairman and President
CPT Corporation

Innovation and Change Through Mergers and Acquisition—

C. Angus Wurtele, Chairman and CEO
Valspar Corporation

The primary objective of this seminar is to provide a framework in which the leadership of each Partners company can explore ideas and gain feedback on corporate strategy as it relates to innovation. Accordingly, it is geared toward chief executive officers and four to five key members of their management teams.

The Business and Technology Partners Program is an ongoing coalition involving the School of Management, the Institute of Technology, and the following Minnesota companies:

Partners

AMHOIST
CARLSON COMPANIES
CONWED CORPORATION
CPT CORPORATION
DONALDSON COMPANY
ECONOMICS LABORATORY
FMC CORPORATION
GELCO CORPORATION
HONEYWELL
MAGNETIC CONTROLS COMPANY
MEDTRONIC, INC.
NATIONAL COMPUTER SYSTEMS, INC.
NORTHERN STATES POWER COMPANY
NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY
PEAT, MARWICK, MITCHELL & CO.
ROSEMOUNT, INC.
SHELDAHL, INC.
SUPER VALU STORES, INC.
3M
TORO COMPANY
VALSPAR CORPORATION

Affiliates

AMERICAN HARDWARE MUTUAL INSURANCE COMPANY
BURLINGTON NORTHERN, INC.
CHAMPION INTERNATIONAL CORPORATION
DELUXE CHECK PRINTERS
FARMERS UNION GRAIN TERMINAL FOUNDATION
H.B. FULLER
GRACO, INC.
GEO. A. HORMEL & CO.
INTERNORTH FOUNDATION
INTER-REGIONAL FINANCIAL GROUP FOUNDATION
Dain Bosworth, Inc.
Dain Corporation
IFG Leasing Co.
Investment Advisors Inc.
Midwest Life Insurance Co.
KROY, INC.
NORTHERN NATURAL GAS
NORTHWESTERN BELL
OWATONNA TOOL COMPANY
PIPER, JAFFRAY & HOPWOOD
SPERRY CORPORATION
TENNANT COMPANY

FACULTY NEWS

NEW APPOINTMENTS

Carl R. Adams named chairman of the Department of Management Sciences.

Gordon J. Alexander named IDS Professor of Finance.

Richard D. Arvey has joined the School of Management as professor of industrial relations.

Andrew D. Bailey named vice president, American Accounting Association.



Beier

Frederick J. Beier named associate dean, School of Management.

Mario (Mike) Bognanno named chair of the Research Committee, National Academy of Arbitrators. Also named to Task Force on Manufacturing, Minnesota Wellspring.

Norman L. Chervany named director of Professional Management Programs. Responsibilities include the Executive Development Center and the MBA Programs.

Uri Dothan has joined the School of Management as professor of finance.

John A. Fossom has joined the School of Management as associate professor of industrial relations.

Edward Foster named to the Board of Directors of North Central Life Insurance Company.

R. Edward Freeman has joined the School of Management as associate professor of strategic management and organization.

Kathy S. Gardner, presently a visiting assistant professor, will join the School of Management as assistant professor of marketing, fall 1984.

Arthur V. Hill promoted to associate professor of management sciences.

Doris Holt has joined the School of Management as assistant professor of accounting.

Paul E. Johnson named director of the Ph.D. program.

Ian Maitland appointed to Research Committee, Social Issues in Management Division, Academy of Management.

John J. Mauriel named acting chairman of Department of Strategic Management and Organization during 1983-84.

Timothy J. Nantell named Gelco Professor of Finance.

Mary Lippitt Nichols named to editorial review board of *Academy of Management Review*.

Paul Richardson has joined the School of Management as assistant professor of finance.

James G. Scoville named to State Task Force on Foreign Investment in Minnesota.

Vicki Smith-Daniels has joined the School of Management as assistant professor of operations management.

Shyam Sunder has joined the School of Management as professor of accounting.

Andrew H. Van de Ven named to the Board of Directors of CPT Corporation.

Robert L. Vigeland promoted to associate professor of accounting.



Wetherbe

James C. Wetherbe promoted to professor of management sciences; named associate chair (with John Rollwagen, president of Cray Research, chair) of a blue ribbon panel appointed by Governor Perpich to formulate strategic direction and policy for the use of computers and information systems in state government; appointed consultant to the University of Minnesota to assist a task force of deans and administrators in the development of a strategic information architecture for the University; named director of research for Association for Computing Machinery, a special interest group for Business Data Processing.

Raymond E. Willis (on leave 1983-84) named chairman of Department of Strategic Management and Organization.

CURRENT RESEARCH

Dennis Ahlburg: Career orientation of working women, divorce, Canadian fertility.

P. George Benson: Procedure for classifying the sensory abilities of quality control inspectors, valuation effects of corporate selloffs, problem of motivational bias in subjective probability assessment.

Mario (Mike) Bognanno: Labor/management relations in Minnesota.

Richard N. Cardozo: Changing structure of industrial distribution systems, product evolution and price performance curves, adoption of novel industrial products.

Gerry DeSanctis: Use of computer graphics for support of managerial decision-making.

Gordon L. Duke: Statistical applications in auditing.

Bruce R. Feiring: Time production—inventory policies with fluctuating demand, scheduling problems, integer and non-linear programming.

Paul E. Johnson: Expertise in management and technical fields.

Ian Maitland: Corporate political strategies.

Timothy J. Nantell with **Gordon Alexander** and

P. George Benson: Impact of interest rate changes on public utility rates.

Mary Lippitt Nichols: Moral reasoning decision processes, linkages between underlying organizational structures and resultant political decision processes.

Ivan Ross: Use of consumer initiated communications as marketing research.

James G. Scoville: Wage linkage patterns in the U.S., labor organizations in Asia and the Pacific, skill shortages in Minnesota.

Mark Treleven: Job shop scheduling, material requirements planning.

NEW GRANTS

Control Data Corporation to **Andrew H. Van de Ven** and **William Rudelius**, to investigate the startup of fourteen educational software companies in Massachusetts, Pennsylvania, Illinois, and Minnesota.

Control Data Corporation to **Paul E. Johnson** for two years, to support studies of expertise in management and technical fields.

Marketing Science Institute to **Richard N. Cardozo** to investigate the changing structure of industrial distribution systems.

Minnesota Wellspring to **Mario (Mike) Bognanno** with **Paul Schumann**, **Howard Miller**, **Dennis Ahlburg**, and **James Scoville**, for study of skill shortages in Minnesota.

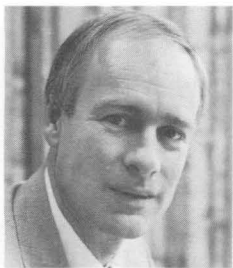
Office of Naval Research to **Andrew H. Van de Ven**, Strategic Management Research Center, to study organizing innovations.

Society for Information Management to **James C. Wetherbe**, director of the Management Information Systems Research Center, for research on information centers.

PUBLICATIONS AND ACTIVITIES

Andrew D. Bailey: Presentations to Accounting Association of Australia and New Zealand, University of Queensland, University of New South Wales, Monash University.

Ian Maitland: "Home Divided: Business, Lobbying, and the Budget," *Research In Corporate Social Performance and Policy*, Volume V, Greenwich, CT, JAI Press, Inc., 1983.



Merchant

M. David Merchant, associate dean for external affairs, completed a two-month assignment with the Aga Khan University in Karachi, Pakistan, to develop a plan and program for generating external support for the new university's teaching and research. Assignment funded by the Aga Khan Foundation.

Shyam Sunder is recipient of the Alpha Kappa Psi Foundation's 1982 award for outstanding contribution to the literature of accounting for article co-authored by **Edward Joyce** and **Robert Libby**, published in the Autumn 1982 issue of *Journal of Accounting Research*.

James C. Wetherbe: *Executive's Guide to Computer-Based Information Systems*, Englewood Cliffs: Prentice-Hall, Inc., 1983.

James C. Wetherbe, with **Madeline Weiss:** "Identifying and Managing Stress in the Information Systems Function," presentation at the 15th Annual Conference of the Society for Information Management, San Diego, September 12, 1983.

James C. Wetherbe and **Scott Conrad:** "What MIS Executives Need to Know About Robotics," *Journal of Systems Management*, May 1983.

VISITING FACULTY, 1983-84

Sagoht Djete, director, Department of Computer Sciences, National University, Abidjan, Ivory Coast.

Ted Stoddard, professor, Department of Information Management, Brigham Young University.

Eric Trist, professor emeritus, The Wharton School, University of Pennsylvania.

Chen Weiliang, lecturer, Management Sciences Department, Fudan University. □

ALUMNI UPDATE

Russell H. Ewing, '22, is president, National Institute of Leadership, Beverly Hills, CA.

William R. Howard, '29, Maplewood, MN, is in his 51st year in the general insurance business, The Howard Agency. He is self-employed and an avid fisherman and hunter.

Robert B. Swanson, '41, Chatham, NJ, is a senior field auditor for the State of Indiana.

Robert W. Gefvert, '48, Andover, MA, has been with Converse Inc., for 30 years in sales and sales management. Currently, he is the director of sales training.

Robert B. Mortensen, '55, is manager, Al Williams, Dallas, TX.

Richard T. Firtko, '56, Maple Grove, MN, is in his 26th year with IBM and is training center manager, Minneapolis. He was recently promoted to colonel in the U.S. Army Reserve.

Louis L. Anderson, '56, Robbinsdale, MN, is the owner of the Lou Anderson Agency.

C. David Jones, '61, '70 MBA, is president and general manager, Roth Young Personnel Service of Minneapolis, Inc., Edina, MN.

Wayne R. Sward, '61, is a self-employed CPA in St. Paul, MN.

Myron C. Martin, '65, was recently named manager, corporate taxes, for Minnegasco, Inc., in Minneapolis.

Jon D. Saunders, '66, Omaha, NE, is with Mutual of Omaha.

Arend J. Sandbulte, '66 MBA, Duluth, MN, executive vice president and chief financial officer for Minnesota Power and Light, was elected to the board of directors of this utility.

Ronald H. Zuercher, '66, St. Paul, MN, was named a new stockholder in Wilkerson, Guthmann and Johnson, Ltd.

John H. Berryhill, '66 MBA, Wayzata, MN, is product manager, vertical markets, CPT Corporation.

Steven W. McArthur, '67, Minneapolis, MN was named vice president, controller, B. Dalton Bookseller. He is chairman of the School of Management's Alumni Advisory Council.

Larry W. Gleason, '67, Mandeville, LA, is vice president of Westway Trading Corporation, world trader in sugar, molasses, coffee and cocoa, and precious metals; the company is based in Englewood Cliffs, NJ.

David S. Mork, '67, St. Paul, MN, was elected president of the National Association of Accountants in Insolvencies (NAAI), a nonprofit association organized to develop and share skills and information in the field of business insolvencies. He is a partner in Mork, Cumpston, and Company, a CPA firm.

John P. Wanous, '68 MAIR, Columbus, OH, recently accepted a position as professor of organizational behavior at Ohio State University.

Craig A. Saline, '69, Rockville, MD, is manager, employee relations for information processing and communications operations department, General Electric Information Services Company.

Andrew W. Wolf, '70, Arden Hills, MN, is director, operations planning, and general manager, Shamrock Division, Murphy Motor Freight.

Alton C. Todd, '70 MBA, is with Ernst and Whinney, Minneapolis, MN.

James D. Cook, Jr., '70, '80 MBA, Bloomington, MN, is with the office of the Minnesota State Auditor.

Michael Gordon, '71 MBA, Burnsville, MN, is a senior product manager with the Henkel Corporation, Minneapolis.

Steven W. Laible, '71, was elected to the partnership of Peat, Marwick, Mitchell & Co., Minneapolis. He was selected to receive a 1983 Bush Summer Fellow Award to attend an executive development program at Harvard's John F. Kennedy School of Government.

John Stubstad, '71, MBA has been named controller and chief operating officer for Pembco, a Minneapolis-based real estate development and management company.

Thomas Z. Green, '72, is the owner of VR Business Brokers, a company specializing in the listing and sale of small businesses; the company has over 300 offices nationwide.

Richard D. Olson, '73 MBA, Northfield, MN, is engineering manager at Sperry, St. Paul., MN. He and his wife have three children.

Laurel E. Johnson, '73, is director of project coordination/administrative director of design, Arthur Shuster, Inc., St. Paul, MN, an interior contract company specializing in the health care and hospitality industries.

Jill A. Rantala, '73, '81 MBA, Plymouth, MN, is an account executive with Quality Computing Systems, Inc.

H.J. "Skip" Kilsdonk, '73 MBA, has been promoted to the new position of director of marketing for the Maxtor Corporation, of San Jose, CA, a manufacturer of disc memories for computers.

James DeLaHunt, '73, is director of taxes, Republic Airlines, Inc., Minneapolis, MN.

What's New?

The *Minnesota Management Review's* "Alumni Update" is one of its most popular sections. All alumni of the School of Management are encouraged to submit information for inclusion in the *Minnesota Management Review*. To do so, mail the form at the end of the "Alumni Update" section to the School of Management. Information from press releases sent by companies/organizations is also used in the "Alumni Update" section. Send press releases to: Gretchen Roufs, Director, Alumni Relations, School of Management, University of Minnesota, 271 19th Ave. So., Minneapolis, MN 55455.

Per B. Mokkebost, '73 Ph.D., Calgary, Alberta, Canada, is associate professor of finance, Faculty of Management, The University of Calgary.

Joel A. Schleicher, '74, is chief financial officer, Murray Chris-Craft Cruisers, Inc., Bradenton, FL.

Daniel L. Browning, '74, is the national credit manager of American Scientific Products, Division of American Hospital Supply, Evanston, IL.

Suresh D. Lulla, '74 MBA, Addison, IL, is president and founder of LAS Systems, Inc., a computer software house. He and his wife have three children.

Matthew L. Rowles, '74, Minneapolis, MN, is development manager, Prudential Insurance, and received the CLU designation in 1982.

Miklos Konkoly-Thege, '74 MBA, is president of Tandberg AS in Norway. He is also chairman of the board: Thorolf Gregersen AS, Oslo, Norway, and Tandberg Radio AB, Stockholm, Sweden. He is a board member of Tandberg of America, Inc., Armonk, NY.

Susan Wolf, '75 MBA, is vice president, Lossing Orthopedic, Minneapolis, MN.

Mark J. Morneau, '75 MBA, is manager, systems development, Gannett Co., Inc., Rochester, NY.

Steven E. Kahm, '75, Minneapolis, MN, is a self-employed patent lawyer. He passed the patent bar exam and began practice in January 1983.

Vijay S. Kogekar, '76 MBA, Maharashtra, India, owns and operates Datascan Information Systems, a systems and management consultancy bureau.

David C. Williams, '76, Fairfax, VA, is a civilian telecommunications computer specialist, Naval Telecommunications Automation Support Center, Cheltenham, MD.

Carol A. Lundstron, '76, Minneapolis, MN, is manager, investor accounting department, Apache Corporation.

Karen A. Froelich, '76 MBA, Fargo, ND, is currently teaching marketing at North Dakota State University.

Roger A. Dagen, '76 MBA, State College, PA, is director of finance for Radio Semi Conductor, Inc., a microwave and satellite communications devices manufacturer.

Virginia K. Pichner, '76, Minneapolis, MN, is controller, Dyco Petroleum Corporation, Minneapolis.

Steve Grindy, '77, is working as sales manager for two manufacturing divisions of Hallett Minerals Co., Duluth.

Susan J. Chadwick, '77 MBA, is product manager, Minnesota Fabrics, Inc., Charlotte, NC. She will marry Roger E. Stude in January, 1984.

James E. Erickson, '77 MBA, became president of Insurance Industry Computer Systems, Inc., a computer consulting and software development firm in Minneapolis.

Mark A. Zorko, '77 MBA, Brussels, Belgium, is manager, financial planning and treasury, for Honeywell Europe.

James J. Gebhard, '78 MBA, Roseville, MN, is 3M project engineering supervisor.

Michael D. Heine, '78 MBA, Chicago, IL, is systems officer/systems consultant for First Chicago Corporation-First Chicago Leasing.

Tom W. Bowman, '78, Pineville, NC, is quality engineering supervisor with General Tire and Rubber Company.

Michael C. Olson, '78, is regional vice president, A.L. Williams, Minneapolis, MN.

Richard C. Roberts, '78 Ph.D., Tulsa, OK, is department chairman, quantitative methods and MIS, and associate professor, College of Business Administration, University of Tulsa.

Rene Perset, '78 MBA, is working in management in Paris, France.

Nelson Lam, '79, MBA, is assistant vice president, Bank of America in Hong Kong.

Nancy A. Foran, '79 MAIR, is owner and president, Compensation and Benefits Management, Inc., a personnel management consulting firm in Arlington, VA.

Patricia H. Besser, '79 MBA, Chicago, IL, is commercial

banking officer, First National Bank of Chicago.

Lee A. Biersdorf, '79, Minneapolis, MN, is assistant program director, Business Economics Education Foundation, Minneapolis, MN, and will graduate from William Mitchell College of Law in May 1984.

Jeffrey S. Gill, '79 MAIR, is personnel manager for Frito-Lay in Polaski, TN.

Jane E. Boyum, '80, is controller, Olympic Express, Bloomington, MN.

Betty A. Countz, '80, is president, BETTY COUNTZ, Inc., a specialty contractor in the sales and installation of residential and commercial flooring and draperies. She started the company in 1980.

A. David Miller, '80 MBA, is vice consul, United States Consulate General in Calgary, Alberta, Canada. In 1985 he will be on an overseas assignment.

David J. Lanners, '81, is with IBM in Rochester, MN. He received his MBA from Harvard in June, 1983.

Mary A. Mathews, '81, is a product service representative for First Computer Corporation, St. Paul, MN.

Gayle M. Nelson, '81, is employed as a market research specialist with the commercial division of Honeywell, Minneapolis, MN.

John Sweeney, '81 MBA, is manager of financial planning and analysis, IDS, Minneapolis, MN.

Richard (Tim) C. Leung, '81 MBA, is assistant vice president, Citibank N.A., in Hong Kong.

Gregg Weisskirk, '81 MBA, was transferred from Minneapolis to Nicholasville, KY, with the Donaldson Co., Inc., to manage and coordinate a number of functions for existing product lines, as well as for product lines moved to Kentucky.

Colleen Kluge Benson, '81 MBA, is assistant professor at Cedar Crest College, in Allentown, PA.

Robert Bjork, '81, Minnetonka, MN, is a self-employed financial consultant in Edina. He was married in July, 1983.

Paul F. Nevell, '81, MBA, St. Lucia, Queensland, Australia, is a lecturer in financial accounting and information systems and a Ph.D. candidate at the University of Queensland.

Peter Keers, '82 MBA, is senior marketing research analyst, IDS, Minneapolis, MN.

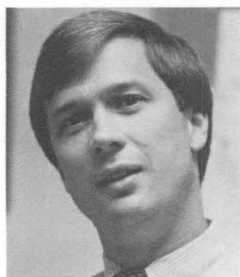
David N. Terwilliger, '82, is a marketing and research analyst, Settlement Planning, Inc., Edina, MN.

Todd C. Chaffee, '82, is market development manager with Norwest Corporation, Minneapolis, MN.

Gerald L. Espe, '82, St. Paul, MN, is a project manager of MIS business applications for Harvest States Co-op.

Continued—page 23

Building a Better School of Management



Reynolds-Gooch

"I have a strong affinity for education and the skills and socialization it provides...I feel as though I have a social responsibility to support the University," says David Reynolds-Gooch, a 1981 MBA graduate and donor to the School of Management. His feelings are representative of the 2,111 alumni and friends who contrib-

uted—in record numbers and dollars—to the School of Management last year.

"I came to the University for a retooling," says Reynolds-Gooch, a marketing manager for General Mills. "I graduated with an added value...I learned how to learn. Now I have opportunity to apply those skills. Because of my education I'm able to earn more money, so I feel it's important to invest some of it back in the University."

Reynolds-Gooch earned a B.A. degree in philosophy and Greek from St. Olaf College and a master of divinity degree from Bethel Theological Seminary in St. Paul before entering the University's MBA program. He was among the first class to graduate under the School of Management's revised and improved MBA curriculum—the changes largely funded by private donations.

Because Reynolds-Gooch works for a matching gift company, his gift carries a triple punch. General Mills matches the first \$100 of his annual gift two-for-one. Many employers have such matching gift programs as part of their employee benefits package; they understand the importance of private gifts.

David Reynolds-Gooch also demonstrates his commitment to the University by serving on the School of Management's Alumni Advisory Council. He attends council meetings, advises faculty members and program directors about business needs, and acts as a liaison between the School of Management, its alumni, and the business community.

Through their gifts of time and money, alumni of the School of Management are insuring that the School's educational opportunities will extend to current and future generations of scholars.

Annual Fund Sets Record

"Our alumni are terrific!" stated Gretchen Roufs, director of alumni relations for the School of Management. "We are delighted to report that our alumni annual gifts to the School for the 1982-83 fiscal year amounted to a total of \$143,214, a record for the School of Management."

Annual gifts are a vital part of the School's development program. A number of specific areas at the School of Management increasingly depend on the financial support of its

alumni, including scholarships and fellowships; research focused on issues vital to business and economic growth; service to the management community through placement services, internships, and publications; library acquisitions; special equipment; and class and curriculum development.

"Many people view the University as a place that needs to rely only on the state legislative appropriations and on students' tuition monies. The School is determined to be responsive to its market, and in order to do so, we must also rely on private support in addition to legislative and tuition support. Approximately 25% of our operating budget depends on gifts from individuals and corporations," stated Roufs. "We look to our alumni to provide a margin of excellence for the School."

The 1982-83 annual fund total of over \$143,000 compares to a 1978 total of approximately \$12,000. The School of Management annual giving program is conducted in cooperation with the University of Minnesota Foundation. For more information contact Gretchen Roufs, School of Management, University of Minnesota, 271 19th Avenue South, Minneapolis, Minnesota 55455, (612) 376-3217.

Attention MBA Alumni....

A Minnesota MBA Alumni Network: An informal MBA "Mini-Directory" and newsletter is published twice each year as a service to MBA alumni of the School of Management. The MBA Mini-Directory project is made possible through a gift from an alumnus of the MBA program.

In the future, a formal and all-inclusive alumni directory will be published, but in the meantime, MBA alumni are invited to submit information for inclusion in the Mini-Directory. To do so, forward name, year of graduation, company and position, business address and phone number, and home address and phone number to: Gretchen Roufs, Director, Alumni Relations, School of Management, University of Minnesota, 271 19th Ave. S., Minneapolis, MN 55455. All inclusions must be voluntarily submitted by each individual, and alumni need to specifically indicate that they wish to be included in the Mini-Directory. Distribution of the directory is limited to the people who are listed in it, and it may not be used for commercial purposes.

The Minnesota MBA Business Card Collection: What do Minnesota MBA's do after graduation? In response to that question, a visual display of information about MBA alumni is in place in the MBA Program office. The display is a collection of MBA alumni business cards, so that the current and prospective MBA students see evidence of alumni careers in a diverse range of management positions, organizations, and geographic locations. MBA alumni who have not yet sent in their business cards are encouraged to send a business card (with year of graduation written on the back) to: Gretchen Roufs, Director, Alumni Relations, School of Management, 271 19th Ave. S., Minneapolis, MN 55455. □

A New Look for the Minnesota Management Review

In May 1983 the School of Management conducted a *Minnesota Management Review* readership survey. In response to readers' replies, some changes have been implemented in this issue.

The most noticeable change is the new look: the paper size was reduced, and the number of pages was increased.

A new column which will be featured in each issue is **A Message from the Dean** (see page 2). All news about School of Management faculty—new appointments, current research, new grants, publications and activities, and visiting faculty members—is contained in one section, **Faculty News** (see page 18).

The *Minnesota Management Review* will continue to incorporate a mix of articles about three main areas: management topics, School of Management news, and alumni-related articles.

The School of Management always welcomes input from *Minnesota Management Review* readers, so please forward any comments, ideas, or suggestions to: Kay Hubbard, editor, *Minnesota Management Review*, 271 19th Ave. S., Minneapolis, MN 55455, (612) 376-9246.

Alumni—from page 21

Todd S. Florell, '82, is in sales with Florell Glass, Minneapolis, MN.

Kelly Doran, '82, MBA, is assistant vice president, Bank of America, San Diego, CA.

Elladean C. Webster, '82, Minneapolis, MN, is employed by the American Indian Health Care Association and is attending the Humphrey Institute of Public Affairs, University of Minnesota, working toward a masters degree in public affairs.

Jeffrey Hagen, '82 MBA, completed course work to receive appraiser's designation from the American Institute of Real Estate Appraisers. He is a real estate specialist with the US Postal Service in St. Paul, MN. He will be married in November 1983.

Miles C. Huffstutler, III, '82, is in the financial management program with the General Electric Company, Cincinnati, OH. □

ALUMNI UPDATE

Information furnished by alumni on this form will be used for the "Alumni Update" section of the *Minnesota Management Review* and will help the School maintain accurate home and business address records. Send to: Gretchen Roufs, Director, Alumni Relations, School of Management, University of Minnesota, 271 19th Avenue South, Minneapolis, MN 55455.

Name _____ Date _____
(First) (Middle or Maiden) (Last)

Year of Graduation and Degree(s) granted from School of Management _____

Employer _____ Home _____
(Position & Company/Organization) (Mailing Address)

(Mailing Address) (City, State, Zip)

(City, State, Zip) (Phone)

(Phone)

Information you would like to share with the School of Management (career, family, awards etc.):

SCHOOL OF MANAGEMENT'S EXECUTIVE DEVELOPMENT CENTER 1984-85 PROGRAMS

I. GENERAL MANAGEMENT RESIDENTIAL PROGRAMS

- Minnesota Executive Program** (6 weeks)
Modular format; begins in September 1984
- Minnesota Management Institute** (4 weeks)
Modular format; begins March, 1984
- Minnesota Management Academy** (9 days)
Begins March, 1984

II. MANAGEMENT SPECIALIST PROGRAMS

- Seminars for the Systems Analyst** (5 days)
Residential program; four times a year
Upcoming session—April 8-13, 1984
- Manufacturing Management** (7 days)
Residential program; once a year
Upcoming session—April 29-May 4, 1984
- Sales Force Management** (5 days)
Residential program; once a year
Upcoming session—April 15-20, 1984
- Controllership Academy** (6 days)
Residential program; once a year
Upcoming session—March 11-17, 1984
- MIS Executive Institute** (8 days)
Residential program; once a year
Upcoming session—May 5-12, 1984

III. GENERAL MANAGEMENT SEMINARS

- Finance for the Non-Financial Manager**
Mpls./St. Paul location; four times a year
Upcoming sessions—Feb. 7-9, 1984; May 15-17, 1984
- Marketing for the Non-Marketing Manager**
Mpls./St. Paul location; four times a year
Upcoming sessions—March 7-9, 1984; June 6-8, 1984
- Accounting for the Non-Accounting Manager**
Mpls./St. Paul location; four times a year
Upcoming sessions—Jan. 24-26, 1984; May 30-June 1, 1984
- Computers and Information Systems for the Non-Information Systems Manager**
Mpls./St. Paul location; four times a year
Upcoming sessions—Feb. 13-15, 1984; May 30-June 1, 1984

Information Request Form

_____ YES, I am interested in more information on the seminars I have indicated above.

_____ YES. Please ADD MY NAME TO THE EXECUTIVE DEVELOPMENT CENTER LIST to receive brochures on individual seminars as they are published.

NAME _____ TITLE _____ ORGANIZATION _____

STREET _____ CITY _____ STATE _____ ZIP _____ COMPANY PHONE () _____

SEND TO: Executive Development Center, School of Management, University of Minnesota, 271 19th Avenue South, Minneapolis, MN 55455. Or PHONE: 612-373-3837

Minnesota Management Review

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