



business news

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COLLEGE AND GRADUATE SCHOOL OF BUSINESS ADMINISTRATION—UNIVERSITY OF MINNESOTA

27th Annual Alumni Institute Scheduled

A Political Forecast for 1981—A Business Perspective is the topic of the 27th Annual Alumni Institute scheduled for Thursday, February 26 at the Marquette Hotel in the IDS Center sponsored by the CBA Alumni Society.

The new format will have the Institute open with a noon luncheon and keynote address by Daniel T. Carroll, President, Chief Executive Officer, and Director, Hoover Universal, Inc. on "Formulating Business' Agenda in Washington."

Following Carroll's address, will be a

discussion of "Minnesota Decisions: Political, Economic, Social" by Mayor of St. Paul, George Latimer and Kent Eklund, State Commissioner of Economic Development. After a coffee break, there will be five concurrent sessions on Business-Government Issues of the 1980's. They are:

- U.S. Foreign Policy International Business Stability
- Professor Robert Holloway

Alumni Institute—to column 26

Minnesota Business Conditions Survey

The recession is ending

The most frequent reply from retailers and manufacturers is to report increased sales, production and new orders in November compared to August 1980. Fifty-one percent of retailers state that sales have increased, while forty-three percent of manufacturers state that production levels were up, and forty-four percent say new orders have increased. This is the first time in a year that these replies have been so positive, and is evidence of a turning point in business conditions.

Employment is not rebounding yet

Most manufacturers and retailers say that employment levels are the same as in August, despite the increases in sales, production, and new orders. Although, fewer manufacturers and retailers report declining employment compared to August, even fewer report increases in employment.

Inflation continues

Well over half of the retailers and manufacturers continue to face price increases in the goods they buy. Eighty-seven percent of retailers report increases in the prices of their purchases, about the same percentage as in previous surveys in 1980. However, only sixty-one percent of manufacturers report price rises in their purchases.

Business Conditions—to column 7

Board of Overseers News

Two members of the college's Board of Overseers have been in the news recently with significant increases in job responsibilities. John Morrison, chairman and chief executive officer of Northwest National Bank of Minneapolis, was named Chester Lind's successor as

head of Northwest Bancorporation when Lind retires at the end of next year as chairman and chief executive officer. Morrison will hold the position of vice chairman of Banco this year.

Board of Overseers—to column 29



Pictured left to right at the October Board of Overseers meeting are George Dixon, President, 1st Bank System; N. Bud Grossman, Chairman and CEO, Gelco Corp.; and Dean Lilly.

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January 1981

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Undergraduate curriculum revised

A special curriculum task force, headed by Professor of Finance Peter Rosko, spent last summer revising the undergraduate curriculum. The revision was unanimously approved by the faculty at its September retreat to replace the current program effective in September 1981. The new curriculum includes many changes in course requirements for entrance to and graduation from the College of Business Administration.

Dean Lilly's charge to the committee to upgrade the quality of education given to CBA students mandated that the new program not require additional resources. This requirement was met by having core and elective core courses taught to large sections of up to 225 students each. Other constraints within which the committee worked were the University Council on Liberal Education requirements which outline the minimum number of credits each student must have in communications, science, society, and artistic expression. The new curriculum meets or exceeds these guidelines. Second, the American Assembly of Collegiate Schools of Business (AACSB) guidelines had to be met to assure continued CBA accreditation. AACSB requires that at least 40 percent of the business degree be in business administration and economics courses and that the program include at least one year of work covering "the common body of knowledge." It also re-

quires specific "internationalization." Again, the new program meets or exceeds these two requirements.

A feature of the new curriculum is the "lock-stepping" of six junior level courses. This is desirable for several reasons. First, students would possess a common knowledge base, permitting topics to be taught in depth since unplanned overlaps of material can be avoided.

Second, it helps build a feeling of class cohesion since students would take the six courses as part of a common large group throughout their junior year. Third, it helps assure that the student will have an integrated view of business. Lastly, since the six courses must be taken in sequence, enrollment will be guaranteed, helping to ease the headache students now face with closed sections during registration.

Another feature of the new curriculum is that students will be allowed to enter CBA only at the start of fall and spring quarters. This 2-entry system will facilitate the "lockstepping" and lead to class identification and cohesion. It should also ease administrative burdens and facilitate enrollment planning.

The following six courses are required in the junior year in sequence:

Fall Quarter

Financial Accounting
Fundamentals of Management

Winter

Management Information Systems
Finance Fundamentals

Spring

Principles of Marketing
Operations Management

Two of the following six courses will also be required:

International Business
The Law of Contracts and Agency
Risk Management & Insurance
Industrial Relations Systems
Intro to Management Sciences
Fundamentals of Transportation

Also required under the new program are the following courses:

Business and Society
Business Policy
Managerial Economics

Money, Banking, and Macroeconomics

Five communication courses will be required: a freshman level writing course; a freshman/sophomore public speaking course; a junior level writing course emphasizing term papers, class reports and case writing; a senior level business writing course emphasizing memos, business letters, and business reports; and a junior/senior level speaking course.

The present CBA curriculum requires two composition courses for BSB-Regular majors and three for BSB-Accounting majors. The rationale for this increase to five courses is that the market survey the college did in 1978 indicated that written and oral communications were at the top of the list of skills students, alumni and business people said BSB graduates should have but were not as well prepared in as they should be.

The new curriculum will require 14-15 credits in mathematics including one course in finite math, one in calculus, plus one in mathematics, statistics, philosophy (logic), linguistics, or computer science. The current program requires only 10 credits.

The science requirements under the new curriculum have also been revised. One course dealing with the history and/or application of scientific findings and one laboratory science course will be required. Other courses required under the new curriculum include three courses in the "Individual and Society" area, such as beginning psychology. Three courses in the "Language, Literature, and Artistic Expression" category will also be required. The current curriculum calls for two only. Finally, students will be required to take three courses in "international business." There are no requirements in this area now.

All courses listed are required for both the BSB-Regular and BSB-Accounting programs. The difference in the programs is that seven advanced accounting courses and an additional management information systems course are required for the Accounting degree. They are fitted into the Accounting pro-



Published quarterly by the
College and Graduate School
of Business Administration
University of Minnesota
Minneapolis, Minnesota 55455

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Second-class postage paid at
Minneapolis, Minnesota

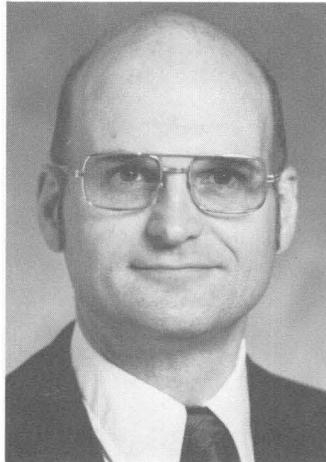
3M executive joins University faculty

Dr. James Tait Elder, 3M executive, has been named Adjunct Professor of the College of Business Administration faculty.

Dr. Elder will have a joint appointment with CBA as Adjunct Professor of Marketing and with the Institute of Technology as Adjunct Professor of Mechanical Engineering. In these positions Dr. Elder will teach and conduct research while also assisting the two colleges in the development of joint programs to further serve the needs of Minnesota's business community.

"We are extremely pleased to have Tait Elder join us as an adjunct member of our faculty," David Lilly, CBA Dean, said. "His many years of experience in business will help bring a necessary blend of pragmatism and theory to our teaching and research activities. In addition, the fact that we will be sharing Tait's services with the Institute of Technology will further enhance the substantial cooperation now taking place between the Business College and IT, improving our ability to respond to the needs of Minnesota business."

In addition to lecturing in courses within the degree programs of the College, Dr. Elder will participate in developing and offering seminars on marketing and technology through the Executive Development Center. He will also contribute to the research and development programs of the College, in cooperation with other members of the



Marketing faculty.

Dr. Elder's background includes a Ph.D. in Physics from Johns Hopkins University and seven years as a research physicist with the New Jersey Zinc Company before joining 3M in 1959. Elder worked in the Central Research Laboratories before moving to the New Business Ventures Division in 1968. He has been General Manager of the division since 1973. Dr. Elder has authored articles published in professional journals, holds several patents and is a member of various business and professional organizations including the American Physical Society, the Institute of Electrical and Electronics Engineers, the American Association for the Advancement of Science. □

Partners Program Update

Since its establishment in 1979, twenty-five companies have joined the Business and Technology Partners Program making commitments of over \$1,161,500 to the College of Business and the Institute of Technology.

The Business and Technology Partners Program consists of business corporations, financial institutions, professional firms and other management and technology related organizations who value the services of the College of Business Administration and the Institute of Technology and who make an annual unrestricted contribution to further the development of one or both colleges.

An added dimension of the Partners Program is the creation of working relationships between CBA, IT and member companies coordinated through individuals in the University and in member companies who serve as Partners Representatives.

The members and affiliates of the Partners Program as of December 31 are:

American Hardware Mutual
Amhoist
Burlington Northern
Carlson Companies
Conwed Corporation
Dain Bosworth, Inc.
Deluxe Check Printers
Donaldson Company
Economics Laboratory
H. B. Fuller Company
Gelco Corporation
Graco Inc.
Honeywell
MTS Systems Corporations
McQuay-Perfex
Magnetic Controls
3M
Northern States Power
N. W. National Life Insurance
Rosemount, Inc.
Sheldahl
Super Valu
Tennant Company
Toro Company
Valspar Corporation □

*Business Conditions—*from column 3

This is the second time this year that fewer manufacturers than retailers have reported continued inflation pressures, and these are the smallest percentages since the survey in early 1978.

Future business conditions look better

With many manufacturers reporting increased new orders and most reporting that unit inventories are the same as in August, it appears that further production and employment gains should be possible. Fifty-eight percent of manufacturers report unit inventories to be stable, thus ending a six month period of inventory liquidation.

The report that forty-one percent of

retailers have the same volume of unit inventories in November as in August also ends a nine month period of inventory liquidation for retailers. However, most retailers appear to be approaching the last months of 1980 with caution, because fifty-four percent say that unit inventories are lower than they were a year ago.

The November quarterly survey is based on the responses of a panel of 112 Minnesota retailers and manufacturers. The report was prepared by Mr. Mansour Javidan, Graduate Assistant, under the supervision of Professor Roger B. Upson. Single copies of the complete report are available upon request to the Research Division of the College. □



Fall 1980 Banquet of the CBA Minority Scholarship Recipients. Left to Right: first row; Jonette Primm, Denise Andrews, Denise Anderson, Karen Berry, and Teri Primm (student steering committee member) back row; Deanna Perry, Patricia Russell, Mark Dunham, Robin Ware, Evette McDonald, Alfred Grayson, Brenda Cox, Ed Graham, Claude Campbell, Robert Scott, Todd Isabell, and Bernard Gill

Minority scholarships awarded

At a Minority Scholarship Award Banquet in the fall, the College of Business Administration announced awards for the 1980-81 academic year. There were seven new and twelve continuing awards made. The awards, based on scholarship, are given to pre-business students who must be admitted into and attend the College of Liberal Arts for their freshman and sophomore years since the business school is an upper division college admitting students at their junior year. The amount of the award for 1980-81 is \$1850.

New scholarship recipients and the high school from which they graduated are: Deanna Perry, Harding
Edward Graham, Saint Agnes
Denise Anderson, Patrick Henry
George Gill, Central
Todd Isabel, St. Paul Central
Jonette Primm, Washburn
Denise Andrews, Muskegon

Recipients in their second and third years in the scholarship program:
Karen Berry, North Community

Claude Campbell, Roosevelt
Brenda Cox, Central
Ron Davis, Richfield
Mark Dunham, Robbinsdale
Alfred Grayson, Washington
Evette McDonald, Central
Vivian Mims, St. Paul Central
Terri Primm, Breck
Mark Richardson, Roosevelt
Patricia L. Russell, Washburn
Patricia Williams, North Community

Terri Primm, who has received a CBA Minority Student Scholarship for the last two years, is a junior in accounting. She has also received a \$500 American Institute of Certified Public Accountants Scholarship and a Minnesota Society of CPA Scholarship for this year.

High school seniors interested in applying for the CBA Minority Scholarship should contact their high school counselor or write to Professor Robert K. Zimmer, Department of Accounting, who is director of the program.

The CBA minority student program was started four years ago by Professor

Zimmer and John Mitchell of the Honeywell Corporation. They were both concerned about the number of qualified minorities entering the college and ultimately the job market. Through a committee of concerned business leaders and high school officials, as well as College of Liberal Arts representation, the program raised money, identified qualified high school seniors, selected candidates, and assisted minority students during their two years in CLA and then in CBA.

Professor Zimmer stated that the cooperation of CLA, the high schools and the business community has been excellent. Raising the money for the program has never been a problem.

How successful has the program been? "Considering where we started," Zimmer says, "we've been extremely successful. We are reaching the minority community with the message that there are good opportunities in business and that the College of Business can be the path to a business career." We have given over fifty student scholarships. Currently we have ten scholarship students who will be applying for admission to CBA for 1981-82.

David Merchant, Associate Dean for External Affairs, praised Professor Zimmer's efforts over the past four years in building the program. "Without him many minority students in this community would not have career opportunities they have today. We look forward to a continuing increase in the number of minority students entering the college as a result of this and other related programs," said Merchant. □

Fall commencement held

The commencement ceremony for the CBA fall 1980 graduates was held Saturday, December 13 in the Great Hall of Coffman Union. Students and faculty wore caps and gowns. Richard K. Gaumnitz, professor of Management, served as the master of ceremonies. John Reik, visiting lecturer of Finance, gave the graduation address to the 120 graduates and 900 guests. The program concluded with the presentation of the class by Associate Dean Edward Foster and conferring of degrees by Dean David Lilly. □

Recruiters feted by college

The Minnesota MBA Association and the CBA Placement Office jointly sponsored the 1st Annual Recruiter Reception at the Alumni Club in the IDS Tower. Over 200 people attended the December 1st reception, designed as an opportunity for MBA students, recruiters, companies sponsoring student interns and faculty to talk informally about career options and opportunities.

Comments during and afterward indicated that corporate guests, CBA students and staff considered the occasion a very successful evening. According to the organizers, they definitely plan to sponsor another. □



Mary Jo Schifsky (MBA Student) and Terry Mathison (Northwestern Bell)



Jeffrey Hunter (Gelco) and Betty Abraham (President, MBA Association)



Jan Windmeier (Placement Director), Marv Trammel (General Mills), and Steve Berch (MBA Student)



Warren Hedlin (IBM), Nancy Browning (MBA Student) and Mary Jo Schifsky (MBA Student)

Undergraduate Curriculum—from column 6

gram by cutting the number of electives available to the accounting student and by increasing the number of credits to 185. The new BSB-Regular program retains the 180 credit requirement of the current curriculum.

In addition to regular coursework, students will be required to attend 6 to 8 skill development seminars during their junior and senior years. The seminars will be half day sessions scheduled on various Friday and/or Saturday mornings. Satisfactory completion of these seminars will be required before the student will graduate. Examples of the topic areas to be covered include career development, interpersonal

skills, administrative skills, and time management.

The goal of the special curriculum task force was to design programs which will offer students a liberal education with a concentration in business administration. Such a liberal education includes studies of fundamental areas of human knowledge basic to all education as well as studies of the social and physical environment, government, and the functions of business and non-business institutions.

Professor Rosko says that the new undergraduate programs place an emphasis on broad background preparation in a limited number of business

courses. General skills—personal, interpersonal, and communications—are also emphasized. A concentration on understanding how business operates and how it relates to its environment is also included.

W. Bruce Erickson, professor of Management, and Charles R. Purdy, Accounting professor, are the other two members of the task force which designed the program. Many members of the faculty and staff contributed to the weekly committee discussions and helped with much of the research. □

Corporate Tours

The second Corporate Tour for CBA undergraduate and graduate students sponsored by the Alumni Society is scheduled for April 14 hosted by Economics Laboratory.

A brief tour of the Osborn Building facilities is planned for the students in the morning. Following a luncheon at the St. Paul Athletic Club with Mr. Fred Lanners, Chairman of the Board, President and Chief Executive Officer, several other members of the "Office of the President" and other members of the Management Committee, there will be a question and answer period at which management will field questions from the students.

Copies of Economics Laboratory's latest Annual Report will be sent to the students for their research prior to the visit. Richard K. Ottem, '58, EL Director of Human Resources, is arranging the tour. □

Alumni Alert—Career Advisory Service

We need your help!

The Placement Office wishes to identify alumni who are willing to discuss career opportunities with CBA students.

All alumni of the College of Business Administration are encouraged to offer their services—MBA's, MA-IR's, general business and accounting graduates. Many business students would appreciate and profit from your input on careers, the realities of the business world, etc.

Second, the Placement Office would appreciate any leads you could give us on current openings. We would like to be able to expand opportunities for our graduates in a tight market.

Please call us at 373-4174 to volunteer your time, advice, and leads. I would like to thank you in advance for any help you may be able to give.

Jan Windmeier
Director of Placement

Alumni Update

1928

Harvey A. Kaplan died in December in Stanford, Connecticut where he had been living.

1972

Charles Janzen (Chuck) is living in Des Moines where he is associated with Ardan Catalog Showrooms as an Energy and Utilities Coordinator. Ardan is a subsidiary of the Carlson Companies.

1975

William H. Morgan is sales manager for Metropolitan Life Insurance Company in West St. Paul.

Alumni Update

Where are you and what are you doing? Wouldn't you like to hear about some of your old classmates?

As space permits, we will continue to print brief accounts of CBA alumni and their activities. Please complete and return the questionnaire.

SEND TO: Ms. Mary Lou Hill, Editor
College of Business Administration
271 19th Avenue South
University of Minnesota
Minneapolis, MN 55455

Date _____

Name _____
Last First Middle Initial or Former Name

Address _____
Street

City State Zip

Year of Graduation _____

Current Employer _____

Current Position _____

INFORMATION YOU WOULD LIKE TO SHARE WITH YOUR CLASSMATES (MARITAL STATUS, CHILDREN, HOBBIES, HONORS, AWARDS, ETC.)

- I would like to join the Alumni Association (or find out more information about the benefits of membership).
- I would like to become more actively involved with the College or Alumni Association.

RETIREMENT

Herbert Heneman, professor of Industrial Relations, retired from the University at the end of fall quarter after teaching at the U since 1942.

Heneman received his BBA, MA and Ph.D. degrees from the University. He served as research associate for the Employment Stabilization Research Institute at the University from 1940-42 and became an instructor in 1942. He served in the Navy from 1944-46, and returned as assistant director of the Industrial Relations Center. He was director of the Center from 1961-64 and from 1966-73. He also was chairman of the IR Department from 1961-73. Professor Heneman is the author of many publications including six books, numerous articles and reports. He has served as a management consultant, arbitrator and has conducted seminars and made numerous presentations in the industrial relations/personnel field.

Among Heneman's many activities and appointments are: Chairman, Regional Management Selection Board, U.S. Post Office 1969-70-71; Chairman, Advisory Council, Minnesota Department of Manpower Services 1956-70, member 1971-79; Chairman, Governor's Manpower Advisory Committee, 1967-70; Honorary Life Member, ASPA (American Society of Personnel Administration); A.P.D. (Accredited Personnel Diplomat).

Professor Heneman was honored for his years of service to the IR profession and to the IR Center and Department at the IR Alumni Institute in October. He now resides in Belen, New Mexico.

AWARDS/ACTIVITIES

Glen Berryman, professor of Accounting, has been named to two national accounting bodies. He was appointed to the Board of Examiners of the American Institute of CPAs, the body responsible for the CPA examinations, and to the Board of Regents of the Institute of Internal Auditors, responsible for the Internal Auditor exams.



R. Glen Berryman

Tom Mahoney, professor of Industrial Relations, has been named Associate Editor of the *Academy of Management Journal* for 1981 and will become Editor for a term from 1982-84.

Ray Willis, professor of Management, has received a Fulbright-Hays grant for international study. He will spend time in France during spring quarter.

LEAVE REPORTS

Mike Bognanno, professor of Industrial Relations, spent about half of his last year's leave in Seoul, Korea and half in Riyadh, Saudi Arabia. In Saudi Arabia he worked on a manpower planning project for the Ministry of Planning which called for an analysis of Saudi labor supply and demand trends by occupation. In Seoul, he developed a report for the World Bank on Korea's industrial relations systems; he worked on a number of labor market problems facing the republic, and continued working on a text in collective bargaining.

Dick Cardozo, professor of Marketing, had a Fulbright grant during his one quarter leave which enabled him to pilot-test a course in Organizational Buying Behavior to be given this year and to draft a comprehensive working paper which will serve as a basis for development of a text in organizational buying behavior. He completed a research project in Israel and participated in two seminars and curriculum development for the Jerusalem Institute of Management, which is a joint venture of the Hebrew University and Harvard Business School.

Jack Gray, professor of Accounting, has returned from his fall quarter leave in Fontainebleau, France where he served as visiting professor of Management Accounting at INSEAD. While at INSEAD, he and Deigan Morris, Coordinator of Management Accounting and Control at INSEAD, made a presentation to the Paris Chapter of the Institute of Cost and Management Accountants (United Kingdom). The title of the presentation was "Comprehensive Controls—the Missing Links."

Professor of Accounting Robert Zimmer spent his year's leave on consulting projects for several major accounting firms in the U.S. and abroad. During fall quarter of 1979, he spent time teaching and doing research at INSEAD in France (an international graduate school of business). He taught managerial accounting to graduate students representing most of the industrial countries in the world. In addition to his work outside the University, he continued to work as the Director of the CBA Minority Scholarship Program and to teach the Pre-Accounting course for the minority students.

Mahmood Zaidi, professor of Industrial Relations, spent the whole year at the Australian Graduate School of Management, University of New South Wales. He did some teaching, worked on several research projects, gave seminars and addressed Australian professional organizations. In September 1979, he was in Paris for the Fifth World Congress of the International Industrial Relations Association. In May 1980, he attended the Fiftieth Jubilee Congress of the Australian and New Zealand Assn. for the Advancement of Science and in August 1980, he presented a paper at the Ninth Conference of the Australian Economists.

DEATHS

News has been received recently of the deaths of three former faculty members. Professor Emeritus Ernestine Donaldson and former dean, Russell Stevenson both passed away in November. Professor Emeritus Naomi Peterson passed away last July. Dean Stevenson was a past president of AACSB and of Beta Gamma Sigma. □

“Role Theory, Attitudinal Constructs, and Actual Performance: A Measurement Issue” by Eric N. Berkowitz, **Reprint No. 195**, reprinted from *The Journal of Applied Psychology*, Vol. 65, No. 2, 1980.

Despite the current level of interest in developing organizational behavior models, two weaknesses pervade the research stream. First, organizational level differences rarely are considered; second, most studies have used only attitudinal constructs.

In an attempt to understand the reason for prior conflicting results, this study explicitly considered organizational level differences in the relationships between role variables and cognitive constructs. Additionally, previous research was extended beyond the use of attitudinal constructs by examination of actual performance measures. Members of 49 sales districts in a large industrial chemical company comprised the sample.

Results indicate that organizational level may not be a major factor in explaining prior conflicting studies. Moreover, no significant relationships were observed between role constructs and actual performance. Additional analyses suggest that greater conceptual and empirical independence among role and attitudinal constructs is warranted.

“Consequences of Role Conflict and Ambiguity Experienced by Retail Salespeople” by Alan J. Dubinsky and Bruce E. Mattson, **Reprint No. 196** reprinted from the *Journal of Retailing*, Vol. 55, No. 4, Winter 1979.

This article was first published by the college in December 1979 as *CESB Reprint No. 34* and was reviewed in the June-July 1980 issue of the *Business News*.

“Differences Between Male and Female Retail Salespeople’s Job Satisfaction, Performance, Organizational Commitment, Role Conflict, and Role Ambiguity” by Alan J. Dubinsky and Bruce E. Mattson, **Reprint No. 197**, reprinted from the *1980 Educator’s Proceedings*, American Marketing Association.

This article was published by the college in December 1979 as *CESB Reprint No. 33* and was reviewed in the June-July 1980 issue of the *Business News*.

“Customer Service” by Donald W. Fogarty and Thomas R. Hoffmann, **Reprint No. 198**, reprinted from *Production and Inventory Management*, First Quarter, 1980.

There are many measures of customer service, each with its strengths, weaknesses, and appropriate applications. Management should establish customer service objectives consistent with market demands and inventory investment objectives. Different performance measures and different objectives frequently will be appropriate for different types of items. Dependent demand items require virtually one hundred percent service level due to the multiplicative effect of joint probabilities. And finally, to measure delivery performance against scheduled shipping dates without establishing the cause of the problem and measuring the delivery performance on backorders is to do only half the job.

“Computational Aspects of Overlapping Coordination Methodology for Linear Hierarchical Systems” by Sunder R. Mendu, Yacov Y. Haimes, and Donald Macko, **Reprint No. 199**, reprinted from *IEEE Transactions on Systems, Man, and Cybernetics*, Vol. SMC-10, No. 2, February 1980.

Large hierarchical systems may have more than one potential decomposition, based on the interests of the many affected groups which interact to form the system. The technique of overlapping coordination, which optimizes such a system by decomposing it in two ways, has been proposed in the literature.

This paper presents computational aspects of this technique as related to linear hierarchical structures with selected problems used as examples. This technique is shown to work well on the example problems.

Single copies of the reprints may be obtained free upon request to the Research Division of the College or by calling (612) 373-4482.

“Energy Conservation for Homeowners: An Action Program for the City of St. Paul” by William Rudelius and Richard Weijs, *College of Business Administration & Center for Urban & Regional Affairs*, December 1980.

In February 1980, St. Paul mobilized for energy. Thousands of city workers and volunteers conducted the Energy Mobilization Survey to collect information from some 34,000 city households and businesses on their energy-conservation activities.

The initial analysis of the survey information summarized answers provided by households and gave detailed data for all seventeen St. Paul neighborhoods. This study developed action recommendations from the basic survey information. The goal of the study was to identify actions St. Paul could take to encourage its homeowners to conserve energy in their homes and to recommend action programs St. Paul might direct at various groups to provide the greatest energy savings at the least cost—both to the city and to its homeowners. The report lists a variety of actions for the city and for individuals along with data on cost and potential savings.

A series of figures and tables demonstrate the actions, costs and potential savings by age of head of household, income and type of house. Some major conclusions are the potential energy savings from larger homes is far higher than from smaller homes, even though larger homes have already achieved significant savings; and one-time actions—such as installing a clock-setback thermostat or a fuel-efficient furnace—clearly create far greater energy savings for St. Paul than seasonal actions (such as repairing broken storm windows) or continuous actions (such as turning off unneeded lights). Whatever the age of the head of household, the household income, or the type of house, this difference applies. These one-time actions represent 80 to 90 percent of the total additional energy savings available to the City of St. Paul.

A limited number of single copies of the report are available from the Research Division of the College of Business Administration. □

Business students intern abroad

Last summer nine Minnesotans, eight from the University and one from Augsburg College, joined other U.S. students interning in businesses around the world under AIESEC sponsorship.

AIESEC (pronounced 'eye-sec') stands for the International Association of Students in Economics and Management. It is totally student-run, non-profit and organized in 54 countries. It was founded in 1948 by students from seven European countries who wanted to rebuild their war-torn countries and improve international relations. In addition to promoting international understanding and cooperation, AIESEC's goals include fostering dialogue among students, academics and business, complementing students theoretical education with practical management experience and increasing the social responsiveness of business.

Seven of the eight University students working abroad this past summer were business students. They were Ralph Berthene—Turkey, Marc Laumann—West Germany, twins Lisa and Leslie Rodby—Austria, Mark Steiner—Australia, Barb Turner—Austria and Michael Wachs—Turkey. Kevin Haerten, a University economics student and Todd Johnson from Augsburg were the other Minnesotans interning abroad.

Of the foreign interns hosted by Minnesota firms, two have been working with CPT Corporation. They are Jorge Brandao of Brazil and Franklin Siu Ling Lam of Hong Kong. Kim Gilliland, Manager, Middle East/Africa Region, for CPT said, "I feel that these two gentlemen's backgrounds and their insiders' perspectives on the regions from which they come have enriched CPT's international division and benefitted our international staff. I believe that they have benefitted from their exposure to American business through their association with a leader in one of America's fastest growing industries. Indeed, one indication of the mutual benefits derived from Mr. Brandao's tenure with CPT is the fact that he and the company have requested and been granted a six month extension of his internship."

In order for an AIESEC chapter to

send its members abroad for internships, it must secure a like number of positions for foreign students with local businesses. Working hard to enlist Minnesota businesses to host foreign student interns for the coming summer are business students Marie Rokke, President of the Minnesota AIESEC chapter, Steve Willett, Sally Niska, Rich Hanzlik, Sue Holzinger, Dave Wold and Theresa Korbos.

In addition to the internship program and special international programs, AIESEC sponsors business seminars and panel discussions, national and regional conferences, a National Leadership Training Seminar and a host of

other student/business activities. About a dozen business students attended the National Conference hosted by Harvard University after Christmas. Marie Rokke and Steve Willett served on committees for the event.

Comments from Sue Holzinger, PR director on the AIESEC Board, and several of the student interns indicate their commitment to AIESEC goals and the conviction that the internships provide an exciting and challenging opportunity for personal self-development and valuable practical experience in business management. □

Alumni Institute—from column 1

De-Regulation; A Case Study—Private Transportation

Professor Frederick J. Beier

Watching the Federal Reserve System: Monetary Policy, Inflation, Unemployment

Associate Dean Edward Foster

Reindustrialization—Myth or Reality?

Professor W. Bruce Erickson

Productivity and the Quality of Worklife *Professor Mario Bognanno*

A cocktail hour in the Minnesota Alumni Club will conclude the Annual Institute. James Rustad, '72 MBA, Merrill Lynch Pierce Fenner & Smith, and Lynne Medcalf, '71 BBA, Director of Marketing for the Executive Development Center, are co-chairing the event. For more information about details, call Gretchen Roufs, CBA Alumni Relations Director, (612) 376-3217. □

Reservations by February 23, please

College and Graduate School of Business Alumni Society
Minnesota Alumni Association
100 Morrill Hall
100 Church Street S.E.
Minneapolis, Mn. 55455

Please reserve _____ places for the 1981 Business Administration Alumni Institute on February 26, 1981.

Cost (includes luncheon, coffee break, conference fee):

Minnesota Alumni Association members: \$25

Non-members: \$30

I am enclosing a check for \$_____ (payable to Business Alumni Society).

Name _____

Guest Names _____

Address _____

City _____ State _____ Zip _____

Phone _____

_____ Please send information about membership in the Minnesota Alumni Association.

CBA staff member receives Bush Foundation Fellowship

LaVerne Clegg, principal accountant in the college, received a Bush Leadership Grant which has enabled her to take a leave this year and study for an MBA degree in the Graduate School of Business.

Ms. Clegg, one of twenty-one persons from four states awarded Leadership grants for 1980-81, received her undergraduate degree from the University and has been employed at the college since 1976.

Fourteen women and seven men were chosen from a group of thirty-seven finalists at selection seminars last February from among 238 applicants, a record high. The grants include a monthly stipend and tuition allowance. Prior to 1972, no woman had won a fellowship in this midcareer educational program which began in 1965. For the past two years, women winners of Bush Leadership fellowships have outnumbered men by nearly two to one.

The objective of the Bush Fellowship Program is to enrich, through academic and/or internship periods, the experience of strongly motivated individuals in mid-career and prepare them for high-level responsibility. The Leadership Program is a 4-18 month program, which may be degree or non-degree, at the college of the recipients choice. There is also a Summer Bush Fellowship Program of 3-10 weeks. □

Board of Overseers—from column 1

Donald Swanson, vice president of restaurants and consumer non-foods, General Mills, was appointed vice chairman effective January 1.

Richard Bressler, new president of Burlington Northern, has joined the Board of Overseers. Mr. Bressler became head of BN in June, leaving his position as executive vice president of Atlantic Richfield, where he had been since 1973. He began his career with General Electric after graduation from Dartmouth. In 1968, he joined American Airlines as vice president and treasurer and in 1972, was named senior vice president of finance.

The second annual meeting of the Board of Overseers was held in October. Dean Lilly and college staff gave an overview of events and activities during 1979-80 and discussed goals and objectives and the 5-year plan.

David Merchant, associate dean for external affairs, speaking about CBA's external affairs program, stressed that the focus was on the development of greater understanding of the college

among its natural constituents, hopefully leading to greater involvement and support.

Highlights of the increased efforts to build bridges to business which Merchant noted include: more than 300 business people involved in teaching in the college programs at all levels; more than 200 business and labor leaders serving on advisory committees of the college; specific new programs established in corporate relations and alumni relations; significant expansion of the MBA summer internship program; over 5 million dollars in contributions and pledges to CBA in fiscal year 1979-80 (putting the college among the top business schools in the nation in this category).

N. Bud Grossman, chairman of the Board of Overseers, and Dean Lilly both acknowledged the service the board has given through its involvement. They noted the importance of the Board's role in informing the business community about the college and enlisting business support for college programs which provide direct benefits to the business community. □



Pictured on the left is Ron Hubbs, retired chairman, St. Paul Companies. On the right is Roger Upson, Director of the MBA Program.

MINNESOTA MANAGEMENT INSTITUTE—1981

A four-week residential management development program for operating managers

Spring 1981

PRE-SEMINAR

January 19-20, 1981
Earle Brown Center, U of M

MODULE I

February 1-11, 1981
Cragun's Lodge, Brainerd

MODULE II

March 15-20, 1981
Cragun's Lodge, Brainerd

MODULE III (session begins on Monday)

April 20-24, 1981
Cragun's Lodge, Brainerd

CONCLUDING SEMINAR

April 25, 1981
Minneapolis

Fall 1981

PRE-SEMINAR

September 10-11, 1981
Earle Brown Center, U of M

MODULE I

September 13-23, 1981
Grand Portage Lodge, Grand Portage

MODULES II AND III Sequentially

October 4-13, 1981
Cragun's Lodge, Brainerd

CONCLUDING SEMINAR

October 14, 1981
Minneapolis

Winter 1982

PRE-SEMINAR

October 29-30, 1981
Earle Brown Center, U of M

MODULE I

November 8-18, 1981
Cragun's Lodge, Brainerd

MODULE II

December 13-18, 1981
Cragun's Lodge, Brainerd

MODULE III

January 10-14, 1982
Cragun's Lodge, Brainerd

CONCLUDING SEMINAR

January 15, 1982
Minneapolis

MODULE I

SUNDAY

P.M.: Check-in
Evening: Organizational Behavior

MONDAY

All Day: Organizational Behavior

TUESDAY

All Day: General Management Skills and Techniques

WEDNESDAY

All Day: Finance

THURSDAY

A.M.: Finance
P.M.-Evening: Management Information Systems

FRIDAY

A.M.: Managerial Accounting
P.M.-Evening: Program Breakthrough—Organizational Problem Solving

SATURDAY

A.M.: Program Breakthrough
Weekend Break

Weekend Break
P.M.-Evening: Marketing

A.M.-P.M.: Business and Government Relations
Evening: International Business and Business Law

All Day: Operations Management

A.M.-P.M.: Organizational Behavior
Conclusion

MODULE II

SUNDAY

P.M.: Check-in
Evening: Organizational Behavior

MONDAY

All Day: Organizational Behavior

TUESDAY

A.M.-P.M.: Finance
Evening: International Business

WEDNESDAY

All Day: Management Policy

THURSDAY

All Day: Marketing

FRIDAY

A.M.-P.M.: Marketing Management Information Systems
Conclusion

SATURDAY

MODULE III

SUNDAY

P.M.: Check-in
Evening: Management Policy—Live Consulting Case

MONDAY

A.M.: Management Policy—Live Consulting Case Continued
P.M.: Operations Management
Evening: Operations Management/Management Information Systems

TUESDAY

A.M.: Operations Management/Management Information Systems Continued
P.M.-Evening: Integrative Case—Operations Management/Management Information Systems/Finance
Evening: President's Night

WEDNESDAY

A.M.-P.M.: Business and Government Relations
Evening: Business and Government/Finance

THURSDAY

A.M.-P.M.: Program Breakthrough
Conclusion
Check-out and return to Twin Cities

FRIDAY

All Day: Participant/Spouse Workshop Managing Time and Relationships
Conclusion

SATURDAY

Tuition for the four-week session is \$4000 including meals and lodging. A two-day pre-course session on "Finance for Nonfinancial Executives" is necessary for those without a strong financial background. Tuition for this session is \$250.

To request an application for MMI, please write or call Dr. Ken Myers, Minnesota Management Institute, Graduate School of Business Administration, 324 Business Administration, 271 19th Avenue South, University of Minnesota, Minneapolis, MN 55455, (612) 373-3837

Skyway bridge joins Law and Business

On the occasion of the opening of the skyway bridge between the College of Business Administration and the Law School over Washington Avenue, the schools two deans met on the bridge to symbolize the growing interaction between the two schools. They both

stressed their desire and intent to pursue actively increased cooperation between the two schools and announced a joint program on Director's Liability for businessmen and lawyers as the first of many such joint ventures. □



Law School Dean Robert Stein and Dean Lilly

U.S. POSTAL SERVICE
STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION
Required by 39 U.S.C. 3685

1. TITLE OF PUBLICATION: **Business Law** PUBLICATION NO.: **100-8-117-2-9** DATE OF FILING: **Aug. 24, 1972**

2. NUMBER OF ISSUES: **2** PERIODICITY: **Quarterly**

3. ADDRESS OF PUBLISHER: **College of Business Admin., Univ. of Minn., 271 - 19th Av. So., Minneapolis, Minn. 55455**

4. NAME AND COMPLETE ADDRESS OF PUBLISHER, EDITOR, AND MANAGING EDITOR:
 PUBLISHER: **Same as above**
 EDITOR: **Mary Louise Lilly, College of Bus. Admin., Univ. of Minn., 271 - 19th Av. So., Minneapolis, Minn. 55455**
 MANAGING EDITOR: **Same as above**

5. OWNER: **None**

6. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES: **None**

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COLLEGE AND GRADUATE SCHOOL OF BUSINESS ADMINISTRATION—UNIVERSITY OF MINNESOTA

Pillsbury gift to fund marketing chair, research

The Pillsbury Company has given a \$1 million grant to the College and Graduate School of Business Administration to endow a Paul S. Gerot Chair of Marketing, named in honor of Pillsbury's retired chairman of the board.

The grant will also support basic research in marketing, graduate student involvement in the research, assure curriculum development, and fund a seminar program addressing major issues in marketing. William H. Spoor, Pillsbury's chairman, said, "We are delighted to join the University in establishing an important new position that recognizes the significance of marketing in business. Paul S. Gerot's leadership was critical to Pillsbury's successful development of consumer food products after World War

Pillsbury—to column 8

Cargill grant to undergraduate business program

The College of Business Administration has received a \$500,000 grant from Cargill to support the new undergraduate program whose revamped curriculum will offer a liberal education with a concentration in business administration.

The Cargill grant—\$50,000 annually over a 10-year span—will be used to finance the management and development of the new undergraduate program. It will fund the position of the Director of Undergraduate Studies, whose principal responsibility will be to work with the faculties and department chairmen of both the College of Business Administration and the College of Liberal Arts, since many of the pre-business academic requirements will be completed in the latter college.

Whitney MacMillan, chairman and

chief executive officer of Cargill, said the company was pleased to have this opportunity to provide support to the University and was "very enthusiastic" about the new curriculum. MacMillan said: "We support fully the efforts of the University to develop undergraduate business programs that are responsive to the needs of business and the community. The introduction of a stronger liberal arts component in the Business School curriculum makes sense to us."

Minnesota Business Conditions Survey

Business conditions worsen.

The February Survey indicates that both retailers and manufacturers report worse business conditions than in November 1980. Fifty-three percent of retailers and forty-nine percent of manufacturers reported lower sales compared to November 1980. Lower levels of new orders were reported by fifty-one percent of manufacturers. These figures are more adverse than those reported in November and may signal an end to the recovery which started three months ago. The decline in sales and new orders is widely believed to be the result of both seasonal factors and high interest rates.

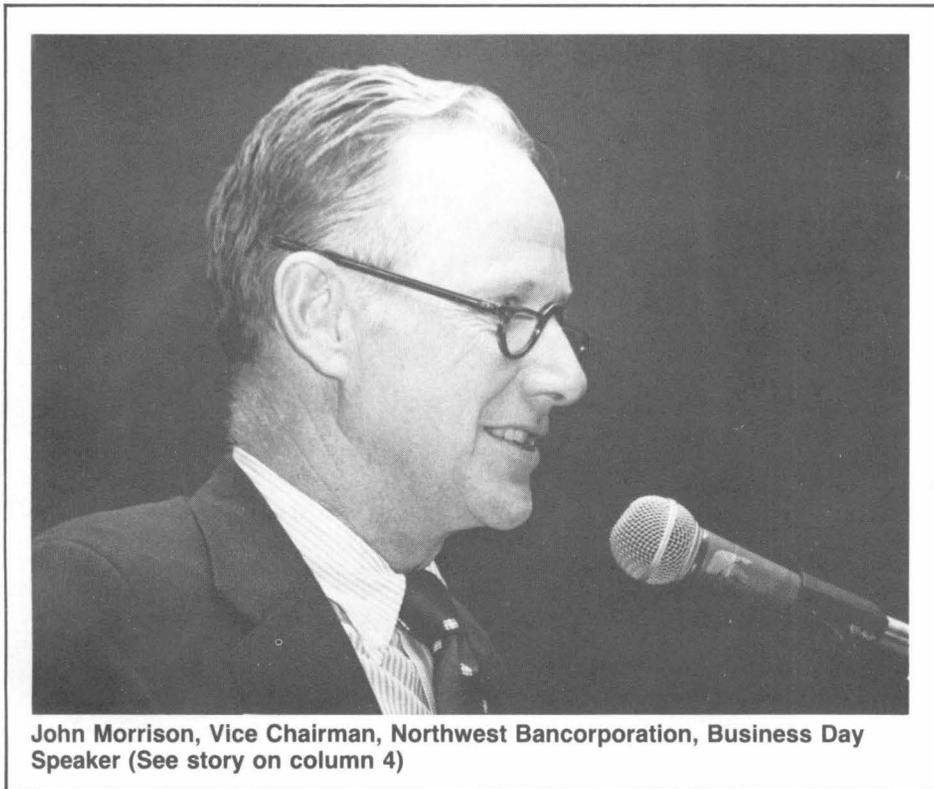
Lower inventories are reported.

Forty-three percent of manufacturers and fifty-six percent of retailers reported lower unit inventories than in November. The

Business Conditions—to column 9

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John Morrison, Vice Chairman, Northwest Bancorporation, Business Day Speaker (See story on column 4)

Business Key to the 80's

Business Key to the 80's was the theme of the annual Business Day of the College of Business Administration at which John Morrison, Vice Chairman of Northwest Bancorporation, spoke on corporate responsibility.

Morrison's keynote address at the luncheon on Business Day, April 15, ended the day-long session which began with a morning panel discussions co-sponsored by the College and the National Association of Manufacturers (NAM), the Minnesota Association of Commerce and Industry and the employers associations of Minneapolis and St. Paul.

The University of Minnesota is among several college campuses the NAM is visiting this year as part of its program

of bringing together business executives and business students and faculty.

Edward Asplin, Chairman and CEO, Bemis Company and an NAM director, was the moderator for the morning panel which consisted of Marcia Bystrom, Partner, Bystrom Brothers, and Assistant Administrator for Women's Business Enterprise, Small Business Administration; Jack J. Crocker, Chairman and CEO, SuperValu Stores; Willis K. Drake, Chairman and CEO, Data Card Corporation; and Jack F. Rowe, President, Minnesota Power and Light Company, Duluth, and former director, NAM.

"A well-run business is, by definition, a socially responsible business . . . a business that is not socially responsible cannot pass muster as a well-run busi-

ness," Mr. Morrison said. He went on to say that "Business has been allowed a status and role that has rested on an implied contract with the public to deliver goods and services at a fair profit. That contract is shifting. We have seen part of that shift reflected in the burdensome regulations that developed in the last several decades. But we have not seen the end of this shift of changing expectations. . . . It is clear that a new social contract is being written, and that people in this country expect business to be responsible for far more than what the old contract called for. To begin with, the old expectations called for business to be responsible to the interests of its shareholders. The new view is that a business is responsible for all of those



MBA Project Team Winner—Despatch Industries



Terry Mathison, Northwestern Bell, Recruiter of the Year Award



TA of the Year Award winners Joanne Horwood, Accounting & Jean Charley, Finance



John Walton, Assistant Professor of Marketing, receives Outstanding Teaching Award from Lynne Medcalf, Alumni Society Vice President

who are affected by its performance and its actions, those who have a stake in its future. Employees, customers, suppliers, various communities, government bodies, consumers and shareholders are all stakeholders because they are affected by what a business does."

"The challenge to business," Morrison told the students, "will be to identify the rights and expectations of our constituents, respond to them in a manner that is in the best long-run interest of the business and its stockholders, and reconcile the inherent conflicts in those expectations to the satisfaction of the stakeholders involved, consistent with sound business principles."

By being responsive to stakeholder concerns businesses are taking the offensive. They are not competing for a bigger piece of the pie Morrison said but through the process end up with a bigger and better pie.

In addition to the keynote address at the Business Day luncheon, certain awards are given each year. John Walton, Assistant Professor of Marketing, was given the Outstanding Teacher Award. The five hundred dollar award is given by the CBA Alumni Society but the selection is made by the students of the college. Terry Mathison, recruiter for NW Bell, received the Recruiter of the Year Award from students who used the College Placement Office. Outstanding TA of the Year went to two women TAs, Joanne Horwood of Accounting and Jean Charley of the Finance Dept. The MBA Project Team Winner was the Despatch Industries team of Gretchen Donahue, Chul Juhn, Frederick Schaeffer and Barbara Weston.

Despatch had introduced a new product line and wanted the team to analyse distribution channels. The students responded to five questions posed by the company and developed a complete marketing plan for the new product.

Business Day is a feature of the Spring Quarter each year, giving students, faculty and business leaders the opportunity to gather to discuss subjects of mutual interest, exchange views and hear panel discussions and a keynote address on major topics of the day. The noon luncheon is supported by some ninety area companies. It is part of Business Week, a full week of activities planned and sponsored by the business students. □

Partners Program Update

Since the January report of the Program which listed twenty-five members or associates of the Business and Technology Partners Program, six additional business firms have joined. Medtronic is the latest to affiliate, pledging \$100,000 to the two schools, Business and the Institute of Technology.

Gerald D. Van Eeckhout, Vice President of Corporate Relations and Administration, Medtronic, said, "This pledge demonstrates our company's excitement for the Partners Program and our belief that strong University curriculum in business and engineering are important to our company and community."

The other additions to the Partners Program roster, either as members or affiliates, are CPT Corporation, Champion International, FMC Corporation, Kroy Industries and Piper Jaffray.

The Business and Technology Partners Program consists of business corporations, financial institutions, professional firms and other management and technology related organizations who make an annual unrestricted contribution to further the development of CBA or IT or both. An added dimension of the program is the creation of working relationships between CBA, IT and member companies coordinated through individuals in the University and in member companies who serve as Partners Representatives. □

Pillsbury—from column 1

II. He recognized the need for marketing skills as vital to the company's progress, and initiated and supported programs to build the marketing area."

Dean David M. Lilly said, "Pillsbury's grant accelerates our progress toward becoming one of the nation's leading schools of management. We are committed to the growing importance of marketing to business, and the Paul S. Gerot Chair, as well as the research funds, will enable us to bring the best marketing minds in the nation to the University." □

President of Powers speaks to Alumni Society

Barbara Armajani, president and CEO, Powers Dry Goods Company, spoke at the Quarterly luncheon of the CBA Alumni Society on April 24. Armajani, a Macalester College graduate, was President of J. B. Hudson Jewelers and a Merchandise Manager at Dayton's before joining Powers. She talked about Powers efforts to change both its image and its objective from a full department store to a specialty store. □



Ms. Barbara Armajani
President and CEO, Powers

Business Conditions—from column 3

most frequently mentioned causes are higher interest rates and pessimism about future economic conditions.

Inflationary pressures continue.

In spite of sluggish economic conditions, there is no sign of relief from inflation. Eighty-eight percent of retailers and sixty-nine percent of manufacturers stated that they paid higher prices for their purchases.

Employment levels decline, both in retailing and manufacturing.

Lower sales and new orders have forced manufacturers and retailers to cut their labor force. Forty percent of respondents in each group reported lower employment levels than in November. □

Case Development Program established in the Business School

A Case Development Program has been established within the Graduate School of Business designed to contribute significantly to the quality of instruction to all market segments, and to strengthen the Graduate School of Business ties with the business community.

The general objectives of the program are to increase the visibility of the Business School in the business community; to get members of the business community more closely involved with business faculty through a common activity that supports the School; to contribute to the continuing professional development of faculty members through their contact with current and significant

management problems; to enrich the curriculum of the School, particularly at the MBA level, by exposing students to important managerial problems; and to increase faculty effectiveness in teaching by the case method.

Case development now underway is identifying and training casewriters and supervisors, searching leads for possible cases, providing incentives for faculty to become involved in the program and encouraging them to submit case development proposals.

Faculty members from several different disciplines have prepared proposals for case development and a pool of casewriters from among second-year

MBA's and Ph.D. students is being identified who will be trained in several formal training sessions. Plans and procedures for contacting companies, securing data, maintaining confidentiality, obtaining copyright, and publishing cases are being developed by the faculty group working on the Case Development Program. Professor Richard N. Cardozo, who is serving as coordinator of the program, expects actual work on the first group of cases undertaken in the program to be completed during the summer and have them ready for instructional use in the Fall. □

Kareken named to Banking Chair

John H. Kareken, professor of Economics at the University and consultant and adviser to the Federal Reserve Bank of Minneapolis, had been named to the newly created Minnesota Banking Chair in the College of Business Administration. Kareken's appointment will begin in September.

The banking chair, designed to strengthen banking education and research at the University, was created by a grant from First Bank System, Inc., the Minnesota Bankers Association, Northwest Bancorporation and Northwestern National Bank of Minneapolis. "The banking chair appointment is a major step toward our goal of providing banking and finance programs that match the quality of the Minnesota banking community—second to none in the country," said Dean David Lilly. "Jack Kareken deserves principal credit for building the research department of the Minneapolis Fed into what is generally acknowledged to be one of the strongest in the system and for brilliantly teaching generations of Fed board directors, including this former board chairman."

In addition to developing and teaching courses for graduates and undergradu-

ates, Kareken will teach executive development programs for bankers and will continue his research in monetary policy and bank regulations. He will also continue to run the annual International Financial Seminar for bank chief executive officers.

Professor Kareken received his Ph.D. in Economics from the Massachusetts Institute of Technology in 1956 and has been on the University faculty since then. He has worked with the Federal Reserve Bank since 1963 and held a Ford Foundation Faculty Fellowship in 1958-59. As an adviser to the president of the Minneapolis Federal Reserve, Kareken has attended monthly Open Market committee meetings for 15 years and was awarded a Guggenheim Fellowship in 1979 to write a practitioner's guide on the conduct of monetary policy.

During the early 1960s Kareken served as a consultant for the U.S. Treasury Department and was chief of Domestic Financial Analysis in the Office of the Secretary of the Treasury in 1962-63. Kareken has had articles published in the American Economic Review, Credit and Banking, Quarterly Review of the Federal Reserve Bank of Minneapolis and the Journal of International Economics. □

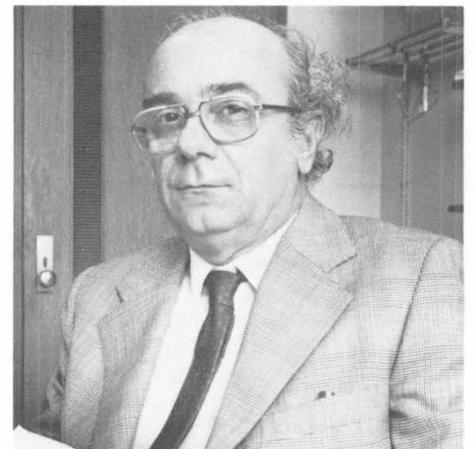


Published quarterly by the College and Graduate School of Business Administration University of Minnesota Minneapolis, Minnesota 55455

M. David Merchant
Associate Dean, External Relations
(612) 376-8284

Mary Louise Hill, Editor
(612) 373-4482

Second-class postage paid at Minneapolis, Minnesota



John H. Kareken

Students contact alumni for funds

In the last several months, CBA students participated in a project that has raised thousands of dollars for the College and Graduate School of Business.

Arlen Brammer, Pat and Pam Jackson, Steve Olson, Peggy Pearce and Steve Willett were the CBA students involved in the program. They joined the ranks of the U of M Foundation student team in phoning Business Administration alumni asking them to become involved in the development of the school by making gifts to the CBA Fund. The students talked with over 4,000 alumni and raised over \$30,000.

"The response from our alumni was excellent. Alumni support is the cornerstone in achieving the goals of the College and Graduate School of Business," said Gretchen Roufs, Director of Alumni Relations. "I'm also very enthusiastic about the personal contact our students had with alumni. It is an important step toward the development of closer relationships between Business Administration alumni and the school."

The 1981 phone program was the largest alumni phone program ever implemented by the College and Graduate School of Business.

New one-day a week MBA Program offered

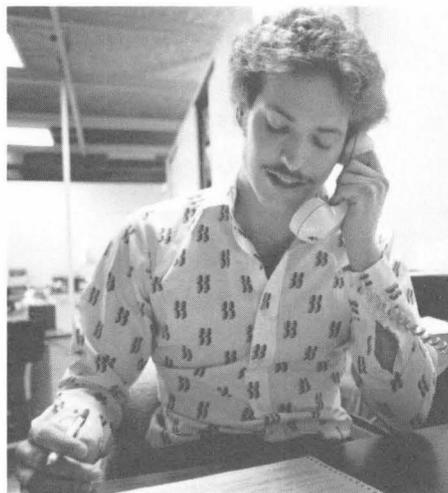
A new Managers' MBA Program, designed for managers with at least ten years' work experience who wish to increase their managerial effectiveness and prepare for greater responsibilities, is taking applications for its first class beginning in August.

"Our extensive market research indicates this new program is compatible with the needs of area firms and with the continued career development of their younger managers," Dean David Lilly said in announcing the program.

The Managers' MBA will meet all day every Friday from September through the following June, for two successive years, with a week in residence at the beginning of each academic year. This schedule enables an integrated program of advanced study to be combined with continued job performance. The first class of no more than forty participants



Patricia and Pamela Jackson



Steve Olson

will start on August 31 and will graduate by completing the program in June 1983.

Courses and instruction

Management skills and analytical methods and their application in the functional areas of business are the primary focus of the first year. The emphasis in the second year is on problem formulation, decision making and implementation in areas such as corporate strategy, finance, marketing, and operations. The

courses will be taught in an integrated format.

Besides the ten courses in the first year and nine in the second year of the program, two projects are also required. One project is a written report that is part of the Problem Formulation and Decision Making course; the other is an independent report, written in conjunction with one of the second year courses, in which a participant explores in depth a managerial issue.

Teaching and evaluation

A wide variety of teaching methods will be used, including case analyses, lectures, discussions, and computer simulations. Special attention will be paid to the further development of speaking and writing skills, and participants will have access to the MBA Communications Workshop.

The program requires extensive preparation and involvement by the participants. The regularly scheduled meetings include the five day residential sessions at the start of each year, and the subsequent thirty-nine Friday sessions, with breaks for Thanksgiving, Christmas, and New Year. Participants will also join small study groups, which are designed

Managers' Program—to column 16

Alumni update

935

Paul E. Nordbye is retired and lives in Winlock, Washington where he is studying pieces of mastodon tusks and ribs cut by ancient workmen near Fairbanks, Alaska, that have fine caucasian micro-portraits.

971

Lawrence W. Shearon, Vice President of pacing and clinical research, Medtronic, Inc., was honored recently being inducted as a Fellow of the Bakken Society, an organization dedicated to the recognition of technical excellence in biomedical engineering. Shearon graduated with a B.S. degree in electrical engineering from Notre Dame in 1958 and was an engineer with ITT and Honeywell before joining Medtronic in 1971.

975

James E. Betz is now a partner in the law firm, Markve, Aune-Markve and Betz with offices on East Lake Street in Minneapolis.

Bryan L. Hanson, CPA, is Controller, Industrial Division, Economics Laboratory, St. Paul. He was manager of International Financial Reporting at Economics Lab for three years before promotion to current position in November.

976

John D. Robinson, Jr., is Area Chief Executive for Hallmark Marketing Corp.

and lives in Naperville, Illinois. He was recently promoted to Chicago where he is in charge of chain business dealing with the Jewel Companies.

1977

Mark A. Zorko, MBA, works for Honeywell and lives in Minnetonka.

1978

Curtis Krier, is president of Curtis G. Krier and Co., consultants to management, accounting, finance, and is listed in Who's Who in the Midwest.

Faye (Orefalk) Lind, is an internal auditor for CENEX and lives in Inver Grove Heights.

Mark A. Sandell has recently become a partner in Nennery & Nennery CPAs.

1979

Lance W. Seberhagen, Ph.D., established his own consulting firm in 1976, specializing in personnel research, and lives in Virginia.

Catherine J. Mathis, MBA, '79, BSB With Distinction, '75, has been appointed manager-wood products business systems for International Paper Company's Wood Products Business. From 1975-78, she was a materials planning analyst for the Conwed Corporation. From 1978-80, she served as a wood products sales representative for Weyerhaeuser in St. Paul, joining International Paper in early 1980 as a marketing research analyst. □

Managers' Program—from column 15

to enrich the learning experience and facilitate personal development.

Grades will be based on the quality of participation in the regularly scheduled sessions, plus performance on assignments and exams. Participant evaluations of the faculty are an integral part of the program and are obtained on a continuous basis throughout the program.

Admission

Admission is based on an applicant's aptitude for graduate work in business administration demonstrated by prior academic experience, the results of the Graduate Management Admission Test, and by the applicant's record as a successful manager with at least ten years' full time work experience at increasing levels of responsibility. An undergraduate degree in any field plus the equivalent of at least a first college course in

microeconomics and in finite math or calculus are prerequisites.

Expenses

The comprehensive charge for tuition, books, other materials, meals and accommodations is \$6,000 per year in 1981-82. This includes single room reservations and all meals for the residential week, and lunch at every Friday session. It is expected that this charge will normally be paid by the employing organization.

Professor Roger Upson, Director of the MBA Program, says that there are about thirty managers' MBA of this type around the country. He looked at four, University of Chicago, Columbia, Northwestern and Rochester, which are operating successfully, while planning this program. □

MBA Communications Workshop

Since its start in January, the MBA Communications Workshop has developed three major services: 1) videotapes and critiques of student presentations and discussions in class and in the communications lab; 2) one-to-one tutoring of written work; and 3) mini-workshops on specific topics such as planning persuasive messages, organizing and editing reports, and writing memos.

Many Twin Cities corporations are currently spending thousands of dollars to train their managers how to write via in-house seminars. "Our aim," Candace Kumerfield, MBA Communications Coordinator, said, "is to save these firms this expense by graduating MBAs who already have not only effective writing skills but strong verbal skills as well." Basically, the MBA Communications Workshop has two goals: to prepare MBAs to communicate precisely what they mean, quickly and convincingly. This usually means discarding the literary style they used successfully in theme papers and substituting the concise format preferred in business. And second, to instill in them the self-confidence that comes from knowing they're effective communicators who can motivate people and get things done.

Kumerfield, who joined the MBA Program as Communications Coordinator in January, is a former teacher, free-lance public relations and magazine writer, and for two years was associate editor of the Minnesota State Automobile Association magazine, Minnesota Motorist. She became editor in June 1977, and served for two years in that capacity. She is a University of Wisconsin graduate in Communications.

Roger Upson, Director of the MBA Program, is pleased with the progress of the new communications program. He believes it is an effective response to the need for greater communications skills by managers expressed in the market survey conducted by the Graduate School of Business prior to the development of the new MBA Program. He is also pleased at the interest in and response to the programmed learning guide to business communication, *Put That In Writing!*, prepared for use in the MBA communications program. □

Business and Law cosponsor seminar on boards of directors

The Executive Development Center of the Graduate School of Business Administration and Continuing Legal Education of the Minnesota State Bar Association cosponsored a seminar on April 6 on Boards of Directors: Roles, Tasks and Liabilities.

It was attended by eighty-five corporate directors, officers and attorneys, among whom were Anthony Andersen of the H. B. Fuller Company; George N. Butzow, MTS Systems; Roger L. Hale, the Tennant Company; I. J. Holton, Geo. A. Hormel and Company; James S. Womack, the Sheldahl Company.

The subjects covered in the day-long session were Critical Issues Facing Board Members presented by **Lawrence Perlman**, Vice President, General Counsel and Secretary of Control Data Corporation and **David M. Lilly**, Dean of the Graduate School of Business Administration, Chief Executive Officer of Toro for 23 years, a former member of the Federal Reserve Board of Governors, and currently serving on several corporation boards. **Lyman E. Wakefield**, who has been an executive with First National Bank of Minneapolis and with Piper, Jaffray and Hopwood, and is now Vice Chairman of Resource Companies, and serves on several boards, spoke on Structuring the Board.

David Bearman, Audit Administrator for General Electric Company, presented the Role of the Auditor and the Board of Directors. **Geral T. Flom**, currently a partner of Faegre and Benson law firm, and a member of the Corporate Council Association and the Corporation, Banking and Business Law Section of the Minnesota State Bar Association, spoke on Legal Risks of Directorship. **Charlton Dietz**, Vice President, Legal Affairs and General Counsel of the 3M Company, joined Flom on the Legal Risks panel.

Richard G. Lareau, a partner in the Oppenheimer, Wolff, Foster, Shepard and Donnelly law firm, who presently serves as director of eight corporations headquartered in this region, **Charles M. Denney, Jr.**, President of Magnetic Controls Corporation and John Mauriel, Director of the Executive Development Center of the Graduate School of Busi-

ness, who serves on several local boards, presented The Role of Boards of Directors in Small Companies. **John B. Olsen**, a senior vice president of the Mellon Bank, where he is responsible for developing and overseeing the long-range strategic planning system which supports the chief executive officer, talked on Corporate Strategy and the Board. **Harlan Cleveland**, Director of the Hubert H. Humphrey Institute of Public Affairs, who was Assistant Secretary of State under President Kennedy and U.S. Ambassador to NATO under President Johnson, talked on the Philosophical and Practical Implications of Corporate Governance.

Dean Robert Stein of the Law School, who initiated the idea of the seminar, and Dean Lilly were pleased at the success of their first joint venture and promise more. The Executive Development Center will continue to explore the feasibility of cosponsoring programs with other units of the University. □

MBA Summer Internships

Fifty MBA students are currently seeking internship positions for the summer. In the MBA first year curriculum, both case study and practical theory provide these students with exposure to fundamental management functions. The intern has the skills to contribute in the following areas:

- Finance and Accounting: financial analysis, capital budgeting, credit analysis, forecasting, investment analysis, and cost accounting.
- Marketing: collecting, analyzing and interpreting marketing data, preparing sales forecasts, and coordinating packaging, distribution channels and pricing policies.
- Management Sciences: systems analysis, quantitative analysis, modeling, transportation and logistics.

Last summer's 45 interns worked in marketing, finance and accounting, information systems, and operations management. Responsibilities included assessing a capital expenditure planning system, productivity studies, assessing information needs, and marketing research.

On-campus interviews may be scheduled with the Placement Office (373-4174). □

faculty news

R. Glen Berryman, Professor of Accounting, has been elected secretary of the Board of Directors of the Minnesota Society of Certified Public Accountants. **Paul Jessup**, Professor of Finance, has been an invited contributor over the past year for the *American Banker*, the nation's only daily newspaper devoted to banking. His twelve signed Commentaries for the editorial page have included such topics as Financing Changes in Bank Ownership, Should Your Bank Have Its Debt Securities Rated?, Redeployment Strategies for Banks, Why Not Preferred Stock?, and The Return of Private Banking?

C. A. Williams, Jr., Minnesota Insurance Industries Professor, has been named editor of the Journal of Risk and Insurance for 1981-83; and to the Board of Directors of the American Risk and Insurance Association, 1981-83. □

Marketing student receives outstanding student in advertising award

Karen Peterson, an MBA student, received the Cadwell Davis Savage Advertising of New York award to an outstanding MBA student in advertising management. This is the second year Cadwell Davis Savage has given the \$500 MBA prize.

The award was made to Ms. Peterson, in conjunction with a presentation she made during Business Week, by Neve Savage, director of account services for Cadwell Davis Savage. The Marketing Department selected the winner from among applicants who must be in the MBA Advertising Management concentration.

Mr. Savage in making the award said that his company offers the annual prize and comes to campus to present it to inform students about the opportunities in advertising careers and to encourage more of them to join the industry. He said that MBAs with a marketing bent tended to favor client companies over ad agencies. His talk to the Business Week audience was keyed to disabusing some of the misconceptions about advertising careers versus brand management careers students often have. □

Program for new managers scheduled

An intensive two-week (10 days) residential management development program for newer managers and for professionals making the transition to management responsibilities is scheduled for May.

The Minnesota Management Academy (MMA) is the fourth program of the Executive Development Center of the Graduate School of Business. It will concentrate on both the essential knowledge and the critical skills necessary to the newer manager.

The residential experience at MMA is one of intense 12 hour a day learning. Theory is presented but the focus is on doing, working with the faculty and other participants to see what works in practice. MMA will utilize a variety of learning techniques. The choice of strategy will be dictated by the particular objective. Lecture, cases, small group teamwork, structured experiences, hands-on practice, as well as individual study will be used.

The theme of MMA is increasing personal and organization effectiveness. Participants are those managers who must understand and translate organizational requirements into effective managerial action. They must work well in understanding and following the guidance of their superiors as well as directing

the efforts of those who report to them. Also, they must understand the role and activities of a manager and be able to know when and where to act. Thus MMA is structured to allow participants to sharpen their skills in working through others as well as to provide increased managerial knowledge. Areas to be covered in the program include: Management as a Profession, Understanding the Organization, The Management of Results, Understanding and Improving Teamwork, the Individual Manager, and Management Information and Computers.

The faculty consists of six outstanding instructors from the faculty of the Graduate School of Business Administration and from the management community. They combine specialized knowledge with practical experience. Faculty members are:

Dr. James C. Wetherbe, Associate Professor of MIS and Director of the Management Information Systems Research Center, Graduate School of Business;

Dr. Sandra Schley, Vice President, Computer Sharing Corporation, Minneapolis;

Dr. Bertrand Phillips, Adjunct Faculty, Columbia University, School of Public Health and President of Bermultinational Limited;

Dr. J. P. Miller, Assistant Professor of Organizational Behavior, Graduate School of Business Administration;
David Gobelli, Doctoral Candidate, Management Department, Graduate School of Business Administration, and formerly Director, Long Range Planning & Development, Medtronic, Inc., Minneapolis; and

Wayne Wilson, Director of Organization, Development and Training, Internorth, Incorporated.

The tuition will be \$1600 and will cover the cost of all instruction, educational materials, meals, and lodging.

To obtain additional information about the program or an application, contact: Dr. Ken Myers, Executive Development Center, Graduate School of Business Administration, U of M, 271 - 19th Av. So., Minneapolis, Mn. 55455. Phone: (612) 373-3837. □



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business news

COLLEGE AND GRADUATE SCHOOL OF BUSINESS ADMINISTRATION—UNIVERSITY OF MINNESOTA

College gets new name

The University Board of Regents approved the change in name of the College and Graduate School of Business Administration to the School of Management at its May meeting, to better reflect the broader role this institution now has in the state and nation.

"The term 'business' administration suggested that our mission was limited to serving only one sector—the business community," explained David Lilly, Dean of the School of Management. "Although business is and will continue to be our primary constituency, there has been an increasing demand for us to train managers for such not-for-profit-sector areas as education, arts, and social services, as well as government—the public sector." The word 'administration' no longer describes accurately the work of the college, Dean Lilly said.

"Technologists can devise complex systems for materials handling or information processing, but often they don't know enough of the human dimension, the men and women who must use the machines, tools, or information. The art and science of management bridge that gap."

The name change "also reflects a change in how the world operates," Dean Lilly explained. "In the past, business could be thought of as something unto itself. Today, government regulations, environmental questions, international developments and societal pressures demand interaction with many constituencies. It became obvious to the business school's faculty and administration that simply to teach principles of accounting, finance and marketing would no longer give our students the knowledge they'll need to succeed as managers in the 1980's and 90's.

"Managers must be sensitive to the natural environment, the customer environment, the local environment and the needs of the work force," said Dean Lilly. "In addition, the manager must be able to chart a course for the organization, motivate people and understand why the organization behaves the way it does. All these elements require a

breadth of knowledge the businessperson of 40 or 50 years ago seldom needed."

The evolution from College of Business to School of Management began three years ago when David Lilly was chosen dean. Changes have been made in nearly all areas of the school, in response to his and the faculty's concern that the college had a responsibility to prepare students for careers ten years into the future and not just for their first jobs.

Gordon Davis named to Honeywell Chair in MIS

Gordon Davis, Professor of Management Information Systems and Accounting in the School of Management, has been named to the Honeywell Chair in Management Information Systems.



by Sarah Knoepfner

Gordon Davis

"We, at Honeywell, are delighted with the selection of Gordon Davis as the first holder of the Honeywell Chair in Management Information Systems. It is fitting that the first chair in the United States in MIS be held by one who has been such a pioneer in the development of this important academic field. Gordon Davis has also been a leader in drawing industry into MIS development at the School of Management through the MIS Research Center and Associates Pro-

Davis-to column 8

New Programs

This September, the School of Management will introduce a new undergraduate program which focuses on a breadth of knowledge rather than specialization. This new program will provide a liberal education with a concentration in management. All juniors in the School will be required to take six basic business courses in a set sequence, to better develop a common knowledge base and an integrated view of management.

In 1979, the first step toward the greater emphasis on management was

College-to column 6

Minnesota Business Conditions Survey

Strong Seasonal sales help improve economic conditions for manufacturers.

Forty-one percent of manufacturers reported higher production levels in the May survey compared to February 1981. This is the second-highest figure reported since November 1979. New orders also show signs of improvement. Forty-six percent of manufacturers reported higher new-order levels compared to three months ago. This is also the highest figure since November 1979. Higher new orders could mean still better economic conditions ahead for manufacturers.

Conditions-to column 4

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July 1981

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Director of Undergraduate Studies Named by School of Management

Dr. Julie Carson has been named Director of Undergraduate Studies of the School of Management effective September 1981. The position of director is new, having been an important element of the new undergraduate program adopted in 1980 which goes into effect this September.

Dr. Carson comes from the University of Oregon where she has been Deputy Director of Intercollegiate Athletics and adjunct faculty member, Linguistics Department since 1979. Prior to that she was a professor of English at the University of Minnesota from 1972-79 where she was director of Composition from 1974-78. During her years at Minnesota, she chaired the University College Assembly, 1977-78 and was Faculty Representative for Women's Intercollegiate Athletics, 1977-79. She received the Morse-Amoco Award for Outstanding Contribution to Undergraduate Education in 1976 and the Twin Cities' Student Assembly Faculty Recognition Award in 1978.

Dr. Carson received an A.B. from the University of Michigan, an M.A. from Wayne State University and a Ph.D. from Indiana University in 1972.

The Director of Undergraduate Studies has general responsibility for all aspects of the program: curriculum, course delivery, recruitment of students, and provision of student services. The director will chair a core faculty in the School to assure that the content of the courses is appropriate and is properly coordinated and to oversee teaching quality. The director will also work closely with other divisions of the University regarding course offerings, course content, and effectiveness of instruction for the courses outside the School of Management required by the new program's liberal arts emphasis.

The new position of Director of Undergraduate Studies has been made possible by a grant of \$500,000 from Cargill to the School of Management, supporting the new undergraduate program. □

Conditions-from column 3

Improved economic conditions are reported by retailers.

Forty-eight percent of retailers reported higher sales than in February, 1981. This is the second highest figure reported since August 1979. Forty-five percent of retailers reported higher sales compared to one year ago. This is the highest figure in almost two years.

Employment levels improve for manufacturers, but remain stable for retailers.

Higher production levels have led to higher employment levels in manufacturing. Forty-four percent of manufacturers report higher employment compared to February 1981. This is the highest figure since May 1979. Retailers, however, reported rather stable employment levels. Seventy-four percent indicated equal employment to February 1981.

Inflationary pressures ease for manufacturers, but remain high for retailers.

In spite of improved conditions, only fifty-one percent of manufacturers reported higher inventory prices. This is the lowest figure in more than two years. Retailers, however, report continued inflationary pressures. Eighty-four percent stated that they paid higher prices for their purchases.

Cautious optimism toward future.

Better economic conditions are likely in the future, especially for manufacturers. Lower inflation along with higher new-order levels are very positive signs for the future. However, the situation is more uncertain for retailers. Despite higher sales, they are still reporting high inflation, high interest rates, and stable employment levels.

This quarterly survey is based on the responses of a panel of 100 Minnesota retailers and manufacturers. The report was prepared by Mr. Mansour Javidan, Graduate Assistant, under the supervision of Professor Roger B. Upson. □

College-from column 3

taken with a complete revision of the Master of Business Administration program. Instead of a wide range of electives and relatively few required courses, linked only by a student's interest, the new MBA program demands a coherent course sequence.

MBA students now enter a two-year program as a group, and embark on a first year of all graduate-level, required coursework, taught by a core faculty. In their second year, the students choose from 18 carefully-designed combinations of courses intended to support specific areas of business skills such as marketing, finance, and accounting among others.

The next program undergoing revision is the Ph.D. program. This past year a faculty committee worked on a revised program which takes effect this Fall. Its overall goal is to educate scholars who have the ability to make substantial contributions to their field through first class theoretical or applied research, excellence in teaching, and leadership in the professions. In addition the program is expected to help maintain a climate of scholarship and intellectual stimulation within the faculty which should enhance research, publications, and the reputation of the School of Management.

Continuing Education Programs

The Executive Development Center (EDC), another recently-formed element in the evolution from College of Business Administration to the School of Management, provides a not-for-credit, continuing education program for people already in the field. EDC offers opportunities ranging from a six week Minnesota Executive Program for senior managers to three- or four-day workshops on such topics as private transportation management and finance for non-financial managers.

"In many ways, our greatest challenges and opportunities are in the non-credit area serviced by the Executive Development Center," states Dean Lilly. "It is in this area where we can respond most quickly and meaningfully to the broad needs of organizations for education and training for managers. We can do this not only in the areas we teach directly but also by creating inter-disciplinary programs taught by faculty from

other parts of the University, from business and from other organizations.

"Because we believe that managers must understand how various environments affect their organizations, and we know these environments change, we had to develop a program for practitioners. Management is not static. It is our responsibility to Minnesota and the Upper Midwest to continually keep managers apprised of current trends, anticipated problems and the state of the art," said Dean Lilly.

Research

Another area addressed by the School of Management is research. "Research is our life blood since it is through research that we generate the necessary knowledge to deal with change in organizations and environment. As in the case of our degree and non-degree programs, our research should reflect the broader challenges and problems facing organizations and society. It should combine the best of specialization with interdisciplinary innovation, since organizational problems are often highly complex and overlap traditional disciplinary structure. For example the whole field of human resources management—the effective management of people to get the job done—is highly complex, involving disciplines both inside and outside our School," said Dean Lilly. Our new name will help us work more effectively with other parts of the University such as the College of Liberal Arts, the Institute of Technology, the Health Sciences, and the Law School to address these and other areas of study, the Dean believes.

"Unequivocally," the Dean emphasized, "this name change in no way signals any lessening of interest in the business community. Quite the contrary, we are providing a base of management expertise—for work in not-for-profit organizations, in the public sector, and in corporate enterprise. Of course the business community will continue to have first priority, but we hope and expect that all three areas will be able to work together more effectively in the years ahead, as their interactions become more essential."

Davis—from column 2

gram," said Edson Spencer, Chairman and CEO at Honeywell.

The Chair was made possible by a \$750,000 grant from Honeywell in 1980, part of a one million dollar gift to the School. The purpose of the Chair is to provide leadership in drawing the University and industry together into an effective partnership that will advance understanding and improve the contribution that MIS can make to society, and to establish appropriate directions for development of research and teaching programs.

Professor Davis who started the MIS program at Minnesota in 1968, the first such program in the U.S., has been a leader in the development of MIS as an academic field, has done extensive research and writing in the field and has been a leader in service to the profession and to industry. He developed the MIS Research Center Associates Program to interact with industry, and is constantly in demand for seminars and consulting to industry. He has been equally active in the accounting profession through research, teaching, writings, seminars and conferences and various committees of the American Accounting Association and the American Institute of Certified Public Accountants.

On a fifteen month leave in 1967-68, he chaired a Task Force on Auditing and EDP Research for the American Institute of Certified Public Accountants, and in 1971-72, he taught at the European Institute for Advanced Studies in Management in Brussels.

In addition to nine books in current use in the MIS and Auditing fields, he has authored journal articles, monographs, working papers, and reports. He currently serves on the editorial boards of *Data Base*, *Management Sciences*, *EDP Auditor* and *The MIS Quarterly*.

Professor Davis received his undergraduate degree at Idaho State University and his MBA and Ph.D. degrees from Stanford University. Prior to coming to Minnesota in 1961, he was an auditor and operations research consultant with Touche, Ross & Co. He organized and was director of the Management Infor-

mation Systems Research Center of the School from 1968-76 and from 1979-80.

"I am honored by being named to the Honeywell Chair in Management Information Systems at the University of Minnesota," Gordon Davis said. "The chair reflects a commitment by the School of Management, with the help of Honeywell, to maintain the preeminent position of the University of Minnesota in this field. I expect to use this position to further the development of information systems for organizations through research, interaction with industry, and maintenance of relevant academic programs." □

Leadership and service awards

The St. Paul Student Center of the University was the scene in May of the University President's Recognition Dinner. Nine management students and a college administrator received awards.

The Student Leadership and Service Recognition Award recipients were: Bette Abraham, Arlen Brammer, Pamela Jackson, Mike R. Ketter, Jeffrey King, Susan Nemetz, Ron Reimann, Bill Schweitz, Kit Wiseman.

The Faculty and Staff Recognition Award recipient was Jean Byrne, administrator in the college. □



USPS 003-470

business
news

Published quarterly by the College and Graduate School of Business Administration University of Minnesota Minneapolis, Minnesota 55455

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Second-class postage paid at Minneapolis, Minnesota

School of Management holds two commencements

On Sunday June 14, the School of Management held two commencement exercises in Northrop Auditorium. At the undergraduate commencement at 2:30 p.m., N. Bud Grossman, President, Chairman and C.E.O., Gelco Corporation, gave the graduation address and Erwin L. Goldfine, University Board of Regents, conferred degrees on 630 students before families and friends of the graduates and faculty and staff of the School. A reception for approximately 2500 was held following the ceremony.

Dean David Lilly presented the Horace T. Morse-Amoco Foundation Award to Finance Professor Peter Rosko, one of seven University of Minnesota faculty selected to receive the award for contributions to undergraduate education. Student awards for scholarship and service were also made. Of the 630 degrees granted, ten students graduated 'with high distinction' (upper 3% of the class); twenty-seven graduated 'with distinction' (upper 4 to 10% of the class). Thirty-five students received Beta Alpha Psi

awards for scholarship as Accounting majors; fifty-nine graduates were invited into membership in Beta Gamma Sigma, the national honorary business society.

Arden W. Dietsche and Bruce K. Nelson were awarded the Delta Sigma Pi Scholarship Key for having the highest scholastic average for work completed in the prescribed prebusiness areas and in the School of Management. Stuart A. Rubin received the Wall Street Journal Achievement Award, made to the student who ranks highest scholastically among those interested in Finance. The Tomato Can Loving Cup Award, given annually to the person whom the dean deems to have performed the most distinctive service to the School, was given jointly to Arlen Brammer and to Susan Nemetz.

The MBA commencement, also held in Northrop Auditorium, followed the undergraduate graduation. Dean David Lilly and Professor Roger B. Upson, Director of the MBA Program, participated in the ceremony. Mr. Charles M. Denny, Jr.,

President of Magnetic Controls, Co., delivered the commencement address. Karen R. Peterson, 1981 MBA graduate, spoke on behalf of the class and Erwin L. Goldfine, Regent, conferred the degrees on the 246 MBA students.

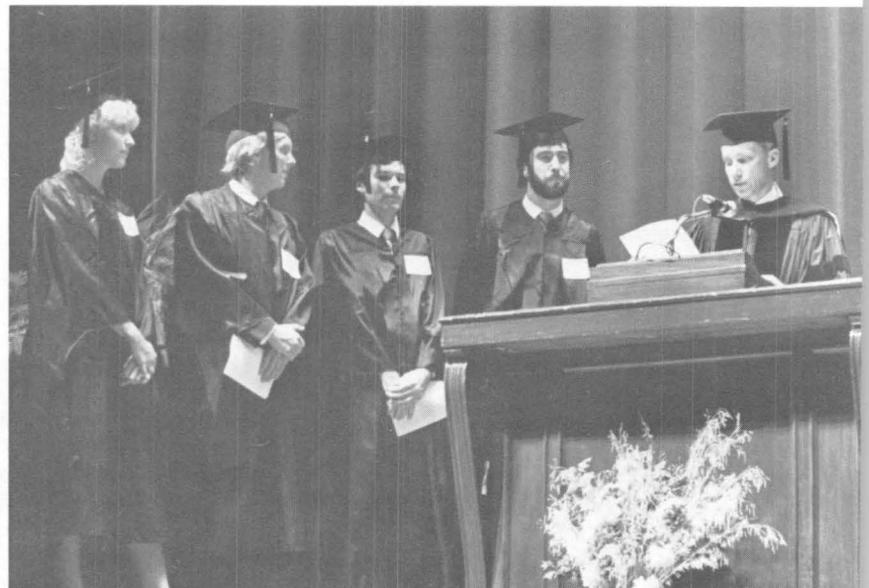
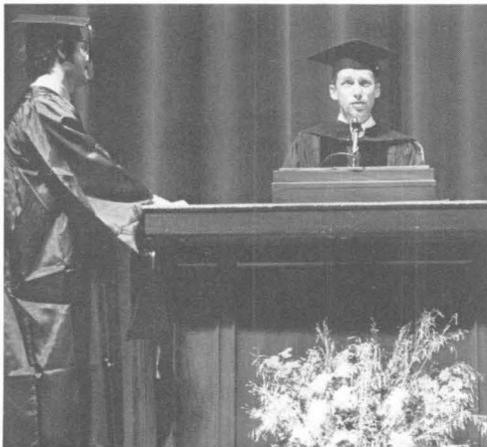
This was the first separate MBA Commencement since the MBA curriculum was restructured effective Fall Quarter, 1979. The June, 1981 graduating class was comprised of Accelerated and Regular and Day and Evening MBA program students.

Two awards were presented at the ceremony. The Wall Street Journal Achievement Award was presented to Allen R. Elstein and the MBA 8060 Field Project Award was given to the team consisting of Michael J. Henle, Dwight L. Johnson, Mark I. Kassof, and Colleen K. Kluge.

A reception hosted by alumni of the Graduate School of Management was held following the ceremony for graduates, families, friends, and faculty and staff of the School. □



Charles M. Denny, Jr.



Field Project Team

Allen R. Elstein

Marcus Alexis receives Outstanding Achievement Award

Marcus Alexis, Ph.D. '59, was one of four University of Minnesota alumni receiving the Outstanding Achievement Award this year. The award was presented at the Annual Alumni Association Dinner on June 11 at the Alumni Club. A faculty luncheon honoring Alexis was held on campus the same day.

Alexis, Acting Chairman of the Interstate Commerce Commission, was named to the commission in 1979. Prior to his commission service he was a professor at Northwestern University since 1970, and served as chairman of the Economics Department from 1976-79. He taught at the University of Rochester from 1962-1970.

After receiving his Ph.D. at Minnesota in '59, he taught at De Paul University. While working on his doctoral degree here, he taught at the University and at Macalester College. He did Post Doctoral work at Harvard University and at M.I.T. in 1961-62.

Professor Alexis has published many articles, books and monographs in his major area, marketing. Some of his marketing research has been concerned with relation to race and racial differences in income, consumption, and behavior. He has served on the editorial boards of the *Journal of Marketing* and the *Journal of Economic Literature*.

Dr. Alexis served in varied professional organizations such as the American Marketing Association, the American Economic Association and the Urban Institute and the Black Economic Research Center. He has received many honors, including a Ford Foundation Faculty Study Fellowship and the Westerfield Distinguished Achievement Award of the National Economic Association.

In addition to service in many professional organizations, Alexis has served as president of the Rochester, N.Y. Urban League and on several advisory committees of the National Urban League. He has been a consultant to the Urban Institute, the National Institute of Mental Health and the National Institute of Education, and has served on

the National Academy of Sciences Committee on Ability Testing, and on the National Science Foundation Review Panel, Energy Postdoctorates.

Dr. Alexis will return to Northwestern University to resume his academic career when his term on the Interstate Commerce Commission ends.

The Outstanding Achievement Award is conferred upon alumni and former students of the University who have gained distinction in their chosen professional or public service fields and have demonstrated achievement and leadership on a community, state, national or international level. Recipients of the award are chosen by the University's Board of Regents on the basis of recommendations by the University Honors Committee. The Outstanding Achievement Award has been given to seven hundred and thirty-three persons from among the 300,000 graduates of the University, since it was established in 1948.

The other recipients of the Outstanding Achievement Award this year were Senator David Durenberger, Burton Joseph, Minneapolis businessman and chairman of the I. S. Joseph Co., and William R. Monat, President of Northern Illinois University. □

ALUMNI UPDATE

1973

Mark Bronder, MBA '75, has been named Controller, Corporate Division, Rolm Corporation, for whom he has worked for two and a half years as Manager of Systems. He lives in Woodside, California. Prior to joining Rolm, he was employed by Booz, Allen and Hamilton in Chicago. After college, he started work with Inland Steel.

1974

Jim Thielen is a sales representative for Eastman Kodak and lives in Mission, Kansas. □

MacLaury assesses 'Reaganomics' for Alumni

Bruce K. MacLaury, President of the Brookings Institution, spoke on Reaganomics: Great Expectations at the Alumni Quarterly Luncheon on July 7.



Bruce MacLaury

Mr. MacLaury received his BA degree from Princeton in 1953 and his MA and Ph.D. degrees in economics from Harvard in 1958 and 1961. In 1958, he became an economist in the research department of the Federal Reserve Bank of New York. He was named manager of the New York Bank's foreign department in 1963 and became vice president of that department two years later. In 1969, he became deputy undersecretary of the U.S. Treasury for monetary affairs, with special responsibilities in the areas of debt management and international financial markets. He was appointed president of the Minneapolis Federal Reserve Bank in July 1971 and continued in that position until he assumed the presidency at the Brookings Institution. □

Eighteen new faculty appointed

Eighteen new faculty have been appointed to the School of Management faculty effective Fall Quarter, among them two new department chairmen and an endowed chair professor.

ACCOUNTING

Mathew Anderson, Ph.D., Michigan State (expected 1981), Assistant Professor

Lane Daley, Ph.D., University of Washington (expected 1981), Assistant Professor

Gordon Duke, Ph.D., University of Georgia 1980, Assistant Professor

Edward Joyce, Ph.D., University of Illinois 1976, Associate Professor

Chandra Kanodia, Ph.D., Carnegie Mellon 1978, Associate Professor

William Wright, Ph.D., Stanford, 1980, Associate Professor

FINANCE

Cheol Eun, Ph.D., N.Y. University, (expected 1981), Assistant Professor

John Kareken, Ph.D., M.I.T., 1950, Professor, Minnesota Banking Industry Chair

John McConnell, Ph.D., Purdue, 1974, Professor and Chairman

Scott Ulman, Ph.D., Northwestern University, (expected 1981), Assistant Professor

INDUSTRIAL RELATIONS

Paul L. Schumann, Ph.D., Cornell, (expected 1981), Assistant Professor

MANAGEMENT

Andrew Van de Ven, Ph.D., University of Wisconsin, 1972, Professor

MANAGEMENT SCIENCES

Gerardine DeSanctis, Ph.D., Texas Tech, (expected 1981), Assistant Professor

Paul Johnson, Ph.D., Johns Hopkins University, 1964, Professor

John Lehman, Ph.D., University of Michigan, (expected 1981), Assistant Professor

Mark Treleven, Ph.D., University of North Carolina, (expected 1981), Assistant Professor

MARKETING

Kenneth Roering, Ph.D., University of Iowa, 1972, Professor and Chairman

Robert Ruekert, Ph.D., University of Wisconsin, (expected 1981), Assistant Professor

Promotions

Three assistant professors have been promoted to associate professor. They are Eric Berkowitz, Marketing; Mary Lippitt Nichols, Management; John Walton, Marketing.

One associate professor was promoted to full professor: Charles Purdy, Accounting. Professor Purdy will be on leave this next year to teach at Pacific Lutheran University in Tacoma, Washington.

Retirement

Allen R. Solem, Professor of Management Psychology in the School since 1962, has retired effective at the end of Summer Session. Professor Solem's basic responsibility has been in developing and teaching graduate and undergraduate courses and seminars in theory and applications of psychology to problems in organization and management. He has conducted laboratory experiments and field research in psychology and its applications, mainly in motivational structure of managerial work and in investigation of new ways for development of managerial and executive skills. Solem has also been involved in development and conduct of executive development programs for business and industry. For over 20 years he has been consultant to various corporations and to such federal departments and agencies as Treasury, State, Defense, HEW, Federal Aviation Agency, U.S. Civil Service Commission. Professor Solem is moving to Florida where he expects to continue his work in consulting and executive development.

Resignation

Hoyt Wheeler, Associate Professor of Industrial Relations, has resigned to accept a position on the faculty at the University of South Carolina. Wheeler, who has been at the University since 1976, has been Director of Public Sector Programs, Labor Education Service and Director, Policy Studies and Development Service, Industrial Relations Center. Professor Wheeler was engaged in the practice of law with a specialization in labor law for ten years before returning to school for his Ph.D. at the University of Wisconsin. His teaching, research and

writing has been in the area of labor arbitration and collective bargaining. He has been a member of federal and state arbitration panels.

Rosko wins University award

Peter Rosko, Associate Professor of Finance, was one of seven University faculty members selected to receive the 1981 Horace T. Morse-Amoco Foundation Award for Outstanding Contributions to Undergraduate Education.

The award, granted through competition on a University-wide basis, is made possible by funds from the Amoco Foundation and is named for a former dean of the General College. Certificates and awards of \$1,000 were presented to the seven honorees at their respective college commencements. The 1981 recipients bring to 102 the number so recognized since 1966. Prior winners of the award in the School of Management are: Roger Schroeder, Professor of Management Sciences, in 1977-78, and R. Glen Berryman, Professor of Accounting, in 1967-68.

The award statement indicated that Rosko "earns exceptionally high praise for his teaching from students who initially have approached his classes fearing that the subject matter would be exceedingly difficult and dry. Instead, he brings the subject to life with his clear and concise explanations, his ability to draw practical applications of theory, his use of varied instructional approaches, his encouragement of classroom interaction, his contagious humor and enthusiasm, and his obvious interest in the topic.

He generously schedules extra help sessions for students who want them, and is readily available as an adviser to a steady stream of students who come to discuss coursework, career decisions, or personal problems.

Rosko's dedication to a liberalizing of undergraduate business education led him to play a strong leadership role in development of a new bachelor of science curriculum designed to broaden students' understanding of business and the world within which it functions."

Grambsch joins Fabri-Tek board

Paul V. Grambsch, Professor of Management and former dean, has been elected to the board of directors of Fabri-Tek, Inc., Eden Prairie. Fabri-Tek is an international manufacturer of connectors, memory systems and printed circuits for the computer, industrial electronics, telecommunications, aerospace and military equipment markets.

Professor Grambsch is educator-consultant to the Controller General of the U.S., an educational consultant to the American Management Association, a Fellow of the Academy of Management, and a member of the Dean's Advisory Council at the Indiana University Graduate School of Business.

Chervany becomes president of American Institute for Decision Sciences

Norman Chervany, Professor and Chairman, Management Sciences Department, began his year as president of the 3500 member American Institute for Decision Sciences by challenging the members, "to trying to make a difference by the work we do."

Chervany went on to say in his first President's Letter, that members "should teach ideas, concepts, and methods that will enable students to be better problem solvers." They should continually update their basic knowledge and teaching methods, should "research and write on topics that may be nontraditional relative to current practice and finally should "accept service as an equal member in the traditional teaching-researching model."

Professor Chervany, who was president-elect last year and began his term as president in May, said he was enthused about his role in leading the organization in its work. In describing the organization, Chervany said it spans the technical and functional disciplines and all kinds and sizes of schools. It has two important vehicles for promoting research and teaching excellence in decision sciences, the *Decision Sciences Journal* and the annual award program

to recognize exceptionally well-designed courses in the field. Chervany noted that John Anderson, Associate Professor, received first prize in 1979 for his course on problem formulation.

Research Leave

Patrick Roche, Admissions and Counseling Coordinator for the School, has just returned from a one year research leave as a Senior Faculty Fellow for the

MBA Students hold weekly seminars with area executives

In the Fall of 1980, the MBA Association began hosting weekly noon seminars with leading area executives. The one hour sessions provide a means for bringing students and executives together for informal interaction around topics of mutual concern. Some topics this year included: "Controllership in Tough Times" (John Fahlberg), "Motivational Styles for Management," (George Dixon), "How to Compete Against the Japanese" (John Penn), "Career Strategies" (Robert MacDonald), and "Productivity in the U.S." (Walter Mondale).

Both students and guests find the sessions educational and enjoyable. For the students, the seminars offer the opportunity to compare functions and atmosphere between and written different firms and industries, to clarify goals, and to test classroom ideas.

MBA Association seminar guests during the past year included:

Michael Bochart, former President, Minnesota Cooperation Office
Foss Boyle, Vice President, Human Resources, Honeywell
Richard Bressler, President & CEO, Burlington Northern
Dick Brown, President, Brown and Brown
George Dixon, President, First Bank System, Inc.
Yale Dolginow, former President, Modern Merchandising
Kent Eklund, Commissioner, Minnesota Dept. of Economic Development
John Fahlberg, Vice President, Mar-

Smithsonian Institute studying at the British Museum, the Portuguese National Archives, the Vatican Library and in South Asia. A book reporting on his study of social stratification of the Portuguese colonies in South Asia will be published in September by McMillan Publishing House. □

keting & Corporate Planning, Murphy Motor Freight Lines
Larry Gilpin, Senior Vice President, Personnel, Target

Don Harayda, Vice President, Administration, Conwed
Dick Holewa, Director, User Group Relations & Field Programs, Control Data

Herb Howe, Personnel Director, Mayo Clinic

Larry Ingrassia, Wall Street Journal, reporter for the Minneapolis Bureau
David Kreager, Manager, Staffing & Employee Relations, CPT

Vern Lovstad, Manager, Executive Recruitment & College Relations, Dayton's

Robert MacDonald, Vice President, Administration & CFO, McQuay-Perfex

Donald W. McCarthy, President & CEO, Northern States Power

Walter F. Mondale, former Vice President of the United States
Tana Moore, Product Manager, General Mills

John Penn, President, Plastech Research, Inc.

Fred Pugh, Vice President, Marketing, Conwed

Ron Speed, Director, Corporate & Community Relations, Honeywell
Richard Thompson, Principal, Balch and Watson

Stuart Utgaard, President, Enterprise Investments

C. Arthur Williams, Minnesota Insurance Industries Professor □

"Ethical Problems of Field Sales Personnel" by Alan J. Dubinsky, Eric N. Berkowitz and William Rudelius, **Reprint No. 201**, reprinted from *MSU Business Topics*, Summer 1980.

To help sales personnel and management address troublesome ethical problems, this article attempts to identify situations in which salespeople see such problems, discover whether stated company policies exist that apply to such situations, and determine whether sales personnel want such stated policies.

"Price Effects of Stock Repurchasing: A Random Coefficient Regression Approach" by Terry Dielman, Timothy J. Nantell, and Roger L. Wright, **Reprint No. 202**, reprinted from the *Journal of Financial and Quantitative Analysis*, Vol. XV, No. 1, March 1980.

This article reports on the use of a random coefficient regression model to investigate the effects of stock repurchasing on rates of return to the stock being repurchased.

"Disorder in the British Workplace: The Limits of Consensus" by Ian Maitland, **Reprint No. 203**, reprinted from the *British Journal of Industrial Relations*, Nov. 1980.

In this paper, Professor Maitland argues that the available evidence concerning workers' attitudes in no way

supports the theory that there is a breakdown of value-consensus in British economic life.

"Applying the Market Model to Long-Term Corporate Bonds" by Gordon J. Alexander, **Reprint No. 204**, reprinted from the *Journal of Financial and Quantitative Analysis*, Vol. XV, No. 5, December 1980.

The use of the market model to analyze bonds with any index appears to involve both notable violations of regression assumptions and instances of parameter instability, Professor Alexander concludes. Interpretation of studies which entail analysis of bonds in the market model context must therefore be done with extreme caution.

"Joint Replenishments—Lot Sizes" by Donald W. Fogarty and Thomas R. Hoffman, **Reprint No. 205**, reprinted from the *Scandinavian Journal of Materials Administration*, Vol. 6, No. 3, 1980.

This is the first of two articles concerning these topics, it examines group lot size decisions for items with independent constant demand, different order intervals for items within the same group, and the use of equal runout quantities to cope with variations in demand. The second article will cover the establishment of order release points for purchased parts and production parts as

well as the evaluation of quantity discounts.

"Deterministic Net Present Value as an Approximation of Expected Net Present Value" by John C. Lere, **Reprint No. 206**, reprinted from the *Journal of Business Finance and Accounting*, Vol. 7, No. 2, 1980.

The general conclusions from Lere's analysis are that cash operating flow, salvage value, and acquisition cost can all be random variables without causing the expected net present value maximizer to make an incorrect acquisition decision using the simplified approach.

"Selling Techniques for Industrial Products and Services: Are They Different?" by Alan J. Dubinsky and William Rudelius, **Reprint No. 208**, reprinted from the *Journal of Personal Selling and Sales Management*, Fall-Winter 1980-81.

Do you sell industrial services the same way as industrial products? This study focuses on what selling techniques are considered to be important by salespeople. Industrial salespeople selling products generally ranked the importance of selling techniques similarly to those selling services. But the two groups judged the importance of a particular selling technique to be significantly different statistically for more than one-quarter of the techniques. □

Single copies of the reprints may be obtained free upon request by writing to the Research Division of the School or by calling (612) 373-4482.



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