

# Minnesota Management Review

June 1984

School of Management, University of Minnesota  Volume 3, Number 2

## Preston Townley: Former General Mills executive named dean

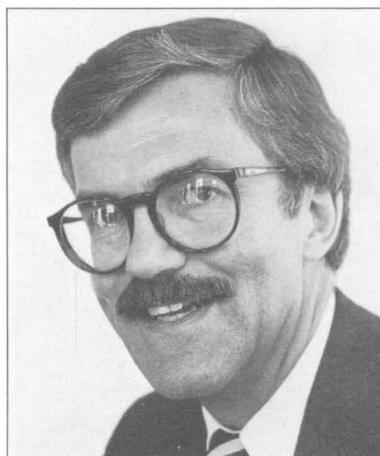
The School of Management new dean will be Preston "Pete" Townley, former executive vice president of the General Mills Company. He was tapped by the Board of Regents April 13 to replace David Lilly, who became vice president for finance and operations, and Edward Foster, who has been acting dean since February 1983. He will assume his duties June 16.

Townley brings to his new post a 22-year record of achievements in business and community service. He graduated from Harvard with AB and MBA degrees, then spent two years at Procter and Gamble before joining General Mills in 1964. In nine years he rose to the position of vice president-general manager of the Big "G" division, becoming an executive vice president of Consumer Foods in 1981. And as White House Fellow from 1967 to 1968, he served as special assistant to postmasters general Lawrence F. O'Brien and W. Marvin Watson.

Townley is reluctant to claim much credit for General Mills' prosperity during his tenure, but he is proud of his contribution to the Big "G" division's movement into the granola bar business, the successful reorganization and performance of the European food companies, and the development of many bright younger people in the company.

He resigned from General Mills in November, feeling it was time for a change. "Twenty years snuck up on me; I never intended to do just one thing with my life," he said. "I've always had a strong service orientation, and the deanship will bring that part of me to the forefront."

Townley is currently a director of the Urban Coalition of Minneapolis, a member of the St. Paul/Minneapolis Council on Foreign Relations, a national vice president of the Harvard Alumni Association,



*Preston Townley*

and a member of the board of directors of the St. Paul Chamber Orchestra. He recently joined the board of KTCA. He headed the SPCO's search for a new music director, which brought Pinchas Zukerman to the Twin Cities in 1980. He is also on the boards of directors of Miles Homes, the Donaldson Company, and Insilco Corporation.

President C. Peter Magrath expressed delight at Townley's appointment. "We made major strides in the growth of the School of Management under the leadership of former Dean Lilly," he said. "I am excited about the appointment of Dean Townley because I am convinced that his hiring will build very effectively on the progress that has been made."

The new dean is also enthusiastic about the school. "I think the School of Management has had outstanding leadership, growth, and development in the last six years, and it's my intention to keep that going," said Townley. "I have a lot to learn, but this new assignment should be an excellent fit. I really enjoy managing and have been a long-time student of the subject of management, especially questions of process and style."

Townley lives in Minneapolis with his wife Marcia and the youngest of their three children. The others are away at college. Marcia Townley is manager of environmental affairs for Dayton's department stores.

"My wife is delighted that I have a job again," said Townley, "but my 14-year-old son has a different perspective. He told me, 'That's all well and good, Dad, but does this mean that we can get Gopher hockey tickets?'" □

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# MBA students assist companies

“Very productive!”

“Very professional!”

“A breath of fresh air!”

Who's being complimented here? A crackerjack squad of advertising experts that just hit a homerun with a new client? A McKinsey consultant who just pinned the tail on another donkey? Peters and Waterman, upon completion of another inside-big-business masterpiece?

No, the kudos belong to 1984 MBA students in the School of Management's 8065 program, a quarter-long field project. These projects put teams of second-year MBA candidates into local companies with the goal of solving real problems.



*Photo by Tim Rummelhoff*

Larry Erickson, director of Education Systems at National Computer Systems, discusses the final report with MBA field project team members Judie LaBelle Trop, GiGi Dekko, and Mary Nosbisch.

For two decades the MBA 8065 program has been producing excellent, if unpublicized, results—for the companies, for the students, for the faculty. The sample comments above came from company officials just after project teams made their final presentations this year.

## Positive feedback

Each field project, a required five-credit winter-quarter course, is administered through the School of Management. For the past 20 years, teams of MBA students have ventured into the metropolitan business community to gather information, synthesize data, and write reports that suggest solutions to a specific company problem. The program has grown from 15 to 20 teams in the early '70s to its current size of 40-45 project teams typically comprising four students each.

“The feedback on these projects has been extremely good,” says Fred Beier, associate dean at the School of Management. “The clients are very, very satisfied with the students' output.”

One reason for this positive feedback is that 8065 teams dissect complex problems to a degree not possible given a company's current structure and staffing. This spring, the team of Duane Bjorlin, Craig Drake, Judith Lynn, and Darrell Tilleskjaer

presented an impressive “marketing opportunity analysis” to Audiobionics, a small high-tech firm in Eden Prairie. Audiobionics' main product is an ingenious device called “the Personal Communicator,” a portable telecommunications terminal designed to aid the hearing impaired. It was invented and developed by entrepreneur Fred Garcia, whose daughter has been deaf since birth.

Audiobionics needed a report that would identify new markets—beyond the hearing impaired—for the Personal Communicator. The MBA team did just that, in a 76-page document crammed with data, charts, and detailed strategies for entering new markets.

One student, Lynn, even went so far as to design a sample advertisement for a new market. “The presentation was very profes-

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## Dean's Message

*Edward Foster, Acting Dean*

New leadership, new plans: The installation of a new dean is an exciting event. It means a fresh evaluation of programs, new aspirations and plans for the future, and a new surge of energy. Dean Preston (Pete) Townley is conferring with business leaders, alumni, faculty, and students as he plans for the next several years.

The School has improved its programs dramatically over the past six years, but we don't lack opportunities for further development. The assessment undertaken by the School during the past year has underlined the need for new initiatives that will make our graduates thoroughly conversant with the microcomputer as a work tool, and teach them to think in terms of the global marketplace in analyzing business problems. Other priorities will develop as the School digests the surveys now under way with our undergraduate and graduate students, analyzes the thinking of our faculty and our customers on changing educational needs for tomorrow's executives, and responds to the University's new initiative to attract more of Minnesota's highest ability students to take advantage of the incredibly diverse resources that the University offers.

Pete Townley is assuming leadership at an exciting time. I hope that you will join me in extending enthusiastic support. Climb aboard for the ride! □



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*Edward Foster*

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*Effective advertising:*

# Researchers try to discover answers

by Terry Childers

You're lying on an isolated sandy beach in the Caribbean. As the slowly setting sun spreads a soft red glow on the sky above, you sip an exotic tropical drink and let the calming sounds of the surf wash away your worries. As gentle waves caress your suntanned body, you smell the salty sea mingling with your fragrant suntan oil.

As you read this description, did any of the following come to mind—a mental picture of a beach by the oceanside, the refreshing taste of the exotic drink, the sound of the surf meeting the beach, the smell of suntan oil?

This description might have been used for a television commercial promoting tourism for a Caribbean island, a magazine advertisement for a liquor manufacturer, or a radio message selling a new brand of suntan oil.

As John Wannamaker once said, "I know half of my advertising budget is wasted. The problem is I don't know which half." Advertisers spend billions of dollars each year; Procter and Gamble alone spends more than 700 million dollars annually to inform and persuade consumers to buy their products.

Many books and articles have tried to explain what makes advertising effective. Recently marketers have turned to such areas as psychology and artificial intelligence searching for clues about how a consumer processes an advertising message. We've discovered that consumers not only must be exposed to an advertisement, but they must also pay attention to the message, understand the message, accept its conclusions, and remember the information when buying.

What makes a commercial or advertisement *memorable* has been the subject of our research over the last few years. A computer, as powerful as it is, only accepts information in a certain format, which affects how the computer retrieves the stored information from memory. Could it be that the human mind, although more flexible than your desktop PC, also requires that the messages received as advertisements be constructed in certain ways to easily access the information while deciding purchases?

We think the way an advertisement is presented and organized will affect the consumer. An advertiser is usually restricted to two sensory channels, sight and sound. The ways in which these intermingle will affect the extent to which you "experience" the product, even though it is not present. Research shows the use of pictures, graphics, or concrete language greatly enhances the likelihood that consumers will experience some form of mental imagery—that is, the ability to recreate some past experience.

Imagery can take different forms representing the various senses. Current research has focused on visual imagery, but the other senses are important areas for future understanding of advertising's effectiveness. For instance, "scratch and sniff" advertisements are sometimes used to promote a product's unique quality, but little is known about their effects on consumer purchase behavior.

In our recent research we have found support for the old adage, "A picture is worth a thousand words." Pictures do appear to make an advertisement more memorable. The organization of information in the picture is important. We call this the interactive imagery effect, meaning if key elements of an advertisement's written portion are conveyed visually, it will be easier to comprehend the message and access information when we need it.

We have started a study that examines more closely the relationship between the advertisement's written portion and the accompanying visuals. For example, in a magazine advertisement a company may use a picture that tells one story about the product, while the copy may convey a different message. Telling two different stories does not necessarily overload the consumer's ability to process information. Rather, when the picture is organized in a meaningful way, the consumer is able to remember the messages conveyed in both parts of the advertisement. But when the picture lacks this meaningful organization, it appears that the consumer remembers the picture but not the written message. Again the ability to mentally image the advertisement's picture appears to play an important role in making the advertisement more memorable and thus perhaps more effective.

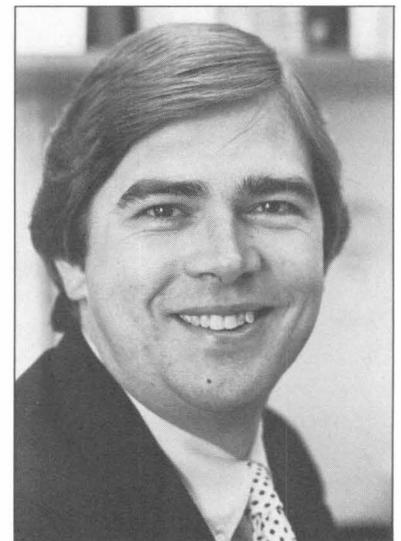
Although our understanding of the complex mental processes that consumers use while viewing marketing communications is just beginning, our efforts to unlock this "black box" appear promising. Helping consumers acquire and use the information they need to make better purchase decisions and increasing the effectiveness and efficiency of business practices are worthwhile goals in our pursuit to understand what makes advertising effective. □

Terry Childers is an assistant professor of marketing and business law, University of Minnesota School of Management.

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Terry Childers

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sional," says Garcia, who founded Audiobionics in 1981. "Their findings will be very useful to us."

Companies selected for these projects benefit from expertise they don't have on hand. Project teams are carefully assembled on the basis of the problem's requirements; MBA students are matched to situations that require their specific talents.

For instance, the team of Spiros Adronkikakis, Kelly Carey, Tedi Anne Hasapopoulos, and Julie Tangen planned and implemented a large market research project that segmented the actual and potential buyers of vocational training in 27 Control Data Institutes. "The selection of team members for the project was well done," says F.R. Martin, general manager of marketing at CDC's Vocational Education Services. "The report provided MIS, marketing, research, and education viewpoints. The combination of expertise, individual uniqueness, and group synergy contributed to the success of the project."

## Real-life pressure

MBA students in the 8065 program are given the opportunity to accelerate the transition from learning to doing. "It enables them to build some confidence in all the knowledge they've gained at the University," says David Naumann, MIS professor and a faculty advisor on 8065 projects for the last seven years. "It also gives them a chance to learn some lessons they can't learn in the classroom—such as managing themselves, digging out useful facts, meeting actual deadlines, handling pressure, and working on a very real and difficult problem."

Linda-Beth Riggs agrees with Naumann. She worked on a project this winter at National Computer Systems with Mary Nosbisch, Gigi Dekko, and Judie LaBelle Trop. They presented a report that formalized NCS's marketing and support procedures for new product development.

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*"The feedback on these projects has been extremely good. The clients are very, very satisfied with the students' output."*

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"The value of the field project is that you get a chance to put theory into practice," say Riggs. "We were outside the classroom, confronting a real live situation, with all the complexities that are there—like personalities. We also realized that solving a problem takes a lot longer in practice than it does in theory."

"The project was very productive," says Larry Erickson, director of the Education Applications Division at National Computer Systems. "The results far exceeded our expectations." "National Computer Systems was very receptive to our questions," adds Riggs. "They were also quite concerned that we got a good educational experience."

## Faculty enrichment

For faculty advisors, rewards are many, too. "The 8065 program gives me the opportunity to apply my textbook knowledge to

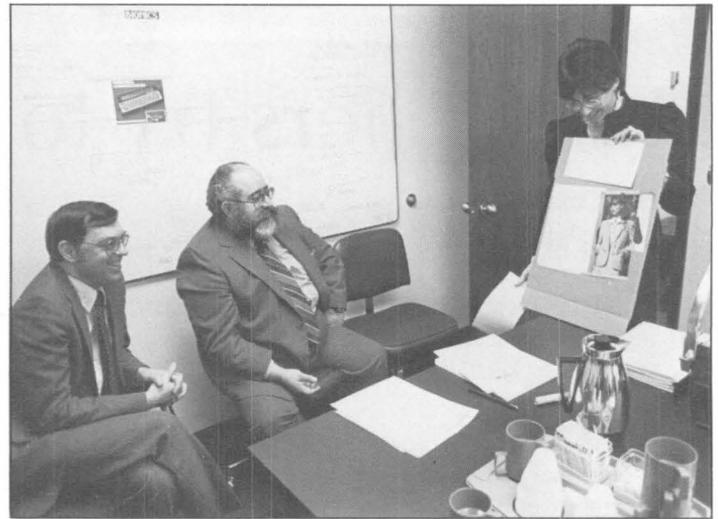


Photo by Tim Rummelhoff

Gerald Riach, president, and Fred Garcia, chairman, Audiobionics, look on as MBA field project team member Judith Lynn discusses marketing suggestions.

practical problems—the kind found in the real world," says Bill Rudeljus, marketing professor at the School of Management. "It also helps me keep abreast of the nature of problems companies are facing today. Problems change with the times, especially in the highly competitive, volatile high-tech field. The faculty gets a chance to stay tuned to those shifts. The experience I gain from these projects makes me a better classroom teacher."

"Getting to know the individual students and watching them develop during the course is also very exciting," adds Naumann. "The small size of the group allows this."

Every summer, project proposals are submitted by area businesses—large, medium, and small. These one-page proposals—about 85 each year—include a brief background on the company, names of contact people, the specialization requirements for the team composition, and a problem description accompanied by a summary of what the company hopes will be accomplished.

Faculty advisors, representing different departments at the School of Management, review the proposals and winnow the number to half. By late October, they rank the proposals and make their final selections. The organizations whose proposals have been selected are then notified.

In late November, MBA students read the project descriptions and rank them by preference. Based on this input, students are assigned by computer to the projects. "Generally what this means is that 85 percent get one of their top five choices," says Naumann. "No one in the past few years has gotten below his or her 12th or 13th choice."

## MBA alumni support

University of Minnesota MBA alumni sometimes become company contacts for student teams. Jane Benson, along with Erickson, worked with the MBA team at National Computer Systems where she is senior marketing specialist in Education Applications. In 1980, Benson participated in an 8065 field project as a student. "It was important to learn how different departments in a company work together and communicate," she remembers. "You really get a feel for the inner workings of a company."

Like Benson, Anne Fosse is a program alumnus, once participating in a project for Honeywell. Today she is a systems analyst in the MIS department at Medtronic. Fosse was company advisor to a project team at Medtronic this winter. The team of Yom-Chiu Chou, Mark Haugland, Joseph Kellogg, and Jocelyn Teh surveyed MIS chargeback procedures in companies similar to and larger than Medtronic. "The information they provided is very important to us," says Fosse. "The report gives us possible directions for the future."

Benson agrees that these projects provide "a fresh outlook" that companies otherwise would be unable to get. "When you're caught up in your day-to-day work, you often can't approach company problems as thoroughly as these project teams can," says Benson. "They have a focused goal. They resolve the situation by performing a thorough job. The accomplishments of these project teams remind companies that bringing in an additional outside source is valuable."

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*"The value of the field project is that you get a chance to put theory into practice."*

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Faculty advisors and client organizations make sure the problems selected are very real and that the solutions presented *are* valuable. "Make work" projects are screened out early. As one student said to a company executive after a recent presentation, "We just want to know if our work is going to have an impact on your company." The answer was yes.

Erickson and Benson were particularly pleased with the team's effort at NCS. "They came in and said, 'This is your current situation; here are your options,'" says Benson. "They ended up making realistic recommendations that will be implemented at National Computer Systems."

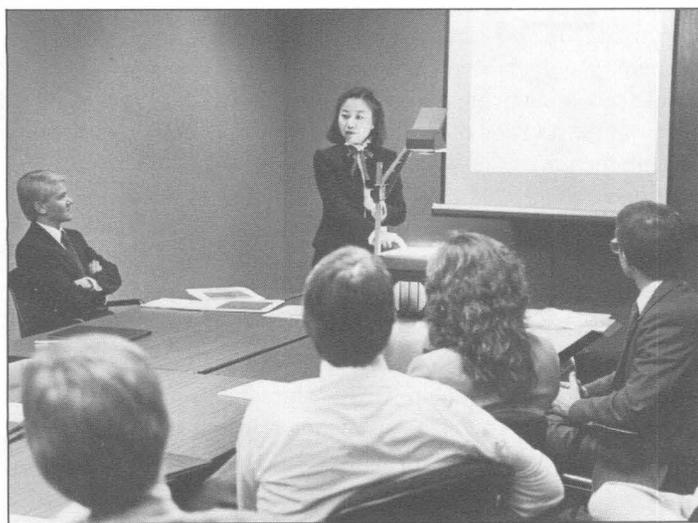


Photo by Tim Rummelhoff

MBA field project team member Jocelyn Teh discusses MIS chargeback procedures with Medtronic management team.

## The next step

The MBA 8065 program has grown impressively since its inception. The interest and involvement from client organization executives continue to increase.

But for years, the only cost to companies was out-of-pocket expenses incurred by project members—clerical costs, travel costs, telephone costs, etc. Now the MBA 8065 course is "one of the more expensive—if not *the* most expensive—courses we offer," says Beier. "In the past, we've absorbed the extra costs. But now some of them have increased dramatically, such as computer time. The course also requires a great deal of faculty time and resources."

The solution? Beginning next year, the School of Management will bill companies a straight fee for participating in the 8065 program. The fee will depend on company's size. There will be no charge to a very small company or to a nonprofit organization. Since the companies typically are receiving more than 1,000 hours of student time and some very real benefits from the program, Beier expects the new fee schedule to be received well. "There is obviously a great deal of value received by the client," he says. "Hopefully, the new fee structure will not deter any companies from participating."

For further information on the School of Management's 8065 program, call (612) 373-4364 or write: MBA Field Project Coordinator, Management Sciences Department, School of Management, University of Minnesota, 271 19th Ave. S., Mpls., MN 55455. □

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*Andrew D. Bailey, Jr.*

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*Accounting department:*  
**Shows strengths  
in many areas**

by **Andrew D. Bailey, Jr.**

The University's accounting department successfully connects with students, business, and the community.

The department is involved with each School of Management degree program. Because it's the only recognized major at the undergraduate level, our Bachelor of Science in Business (BSB) Accounting Program is unique. This reflects our profession's long standing support of a professional undergraduate education as a minimum entry-level criteria. Our program represents approximately 40 percent of all School of Management undergraduate registrations (considering Principles of Accounting) and 30 percent of the upper division registrations in the School. We are also committed in a significant way to the Continuing Education and Extension (CEE) component of the BSB offered during evening hours. In addition to using full-time faculty in the CEE program, we make use of highly qualified part-time teachers in the professional community.

Due to both market conditions and program administration, our role in the Master's of Business Administration (MBA) program is not as large as we would like. We are currently studying revisions in MBA program administration that would permit a more effective role for accounting, or allow the re-introduction of our previous Master's of Science (MS) Accounting Program.

The Ph.D. program is thriving with about 18 students and a placement record that includes Stanford, Ohio State, and Iowa. We feel that this program is making a significant contribution to the growth of quality research and teaching in the academic accounting profession.

The Master's in Business Taxation (MBT) program is separately recognized by the Graduate School and operated almost completely through accounting. It is an evening program using both full-time faculty members and a large cadre of professionals from the business community. The program has been well received and is growing at a slow but steady rate. About 100 students have graduated from the program.

We currently have 18 professors, 3 full-time administrative/lecturers, and 4 full-time temporary faculty. We also use the equivalent of 11 full-time faculty from the business community. These individuals generally teach one or two sections per year in the evening undergraduate program, although several graduate sections are also taught by members of the professional community. Approximately 125 sections of Principles of Accounting per year are taught by Ph.D. and MBA student teaching associates. As you might guess from this roster, we are a large department that is still somewhat understaffed. We fully intend to continue the practice of integrating part-time professionals into our teaching program. But we need some seven full-time faculty members to attain the American Assembly of Collegiate Schools of Business (AACSB) accreditation for the accounting program. While the School of Management accreditation is secure, we as yet have not obtained the separate accreditation available to accounting programs. We are currently recruiting for two full-time positions.

Accounting faculty members support numerous activities and several organizations intended to enhance the student's educational experience and to improve communications with the business community. Some of these activities include Beta Alpha Psi and SAA, two student professional organizations; student internships in public accounting, business, and government; the CPA Coaching Series; the Advisory Council; the Department of Accounting and Accounting Research Center Annual Report; the Alumni and Friends Roster; Minnesota Breakfast Forums; a research working papers series; and numerous ongoing research and teaching projects, including a proposal to integrate computers into the accounting programs. This last proposal is particularly important both because of our critical needs in the area and the real funding difficulties encountered in attempting to meet these needs.

Accounting faculty members are committed to excellence in teaching and research and to effective communication with professional colleagues. The Advisory Council is a primary communication vehicle. The council is composed of the top executives in the public accounting and business professional community and representatives of Minnesota's primary professional accounting bodies. The Advisory Council has been instrumental in the revision of the Principles of Accounting sequence, the introduction of the Master's of Business Taxation Program, recruitment of the chairman and accounting faculty, funding of critical faculty and program development activities, and the development of an organization and materials supporting expansion of the Alumni and Friends program. Perhaps most importantly for me as chairman, they have been willing to share their time and opinions with me on a regular basis.

With Advisory Council help, we have hired the kind of faculty who will create and publish outstanding research and continue to deliver quality programs. We are a research faculty who emphasize and have a comparative advantage in attacking fundamental questions. We are convinced that these are the long-term questions relevant to the business community. In this context, research is a high-risk venture and like all high-risk activities, we experience some failures. But overall success is impressive.

While it is hard to demonstrate objectively, it is my firm belief that a balanced approach to research leaning in the direction of fundamental academic approaches will produce a faculty who

can deliver the best programs for undergraduate and graduate students. To demonstrate this, I ask you to list the top ten most respected schools in the country. Most, if not all of them, are research oriented.

The resulting balance for which we strive does not occur in a vacuum and is not easy to attain. Like the research activities of a faculty, quality teaching must be cultivated and nurtured. We do support quality teaching in both our philosophic commitment and our administrative structure.

I believe that the Department of Accounting is a most valuable resource. Its members are making a significant contribution to the growth of the accounting profession through their research and teaching efforts. I am proud to be a faculty member. □

**Andrew D. Bailey, Jr. is professor and chairman, Department of Accounting, University of Minnesota School of Management.**

## Center helps solve management problems

One exciting recent development at the School of Management is the formation of the Strategic Management Research Center (SMRC), a joint venture of the School, the University's Hubert Humphrey Institute of Public Affairs, and the College of Agriculture's Department of Agricultural and Applied Economics. An invitation has also been extended to the Institute of Technology to join the venture.

Andrew Van de Ven, the School's 3M Professor of Human Systems Management, serves as the center's director, and John Bryson and Robert King serve as associate directors. (Bryson is associate professor of planning at the Humphrey Institute; King is E. Fred Kroll Professor of Agricultural Management Information Systems.)

The center focuses on novel problems and issues confronting general managers in public, private, domestic, and international organizations, and emphasizes problem-driven, interdisciplinary research. Something like the SMRC was needed because "the general manager's job is both more complex and less understood than those of managers in charge of specific functions, such as finance, accounting, production, marketing, or research and development," says Van de Ven. The general manager's job is to integrate, to manage across all of these functions, and any attempt to deal with general management issues of necessity demands a flexible, interdisciplinary approach—plus extensive, ongoing input from practicing top executives and general managers.

Vehicles to ensure this partnership between academics and practitioners are already in place and include executive breakfast round table discussions; a weekly strategic management colloquium; an Advisory Board made up of top managers, mainly from SMRC-sponsoring organizations; and a plan for a confer-

ence to be sponsored by the center every year or two. The first of these conferences, "Shared Power," was held May 9 through 11 at the Minneapolis Plaza Hotel. The conference was organized by Bryson and cosponsored by the center and the Humphrey Institute.

As additional funds from government and private sources become available, the center will also move ahead on plans to publish new ideas for general managers and practical findings from SMRC research in a newsletter or journal on strategic management topics.

The SMRC's initial research agenda centers on innovative management. Twelve innovation studies have been launched this year—the topics range from hybrid wheat to supercomputers to public school systems to telecommunications. The studies were made possible by a major research grant of \$542,000 (over three years) from the Office of Naval Research.

Other research priorities that the center will pursue during the coming year are mergers, acquisitions, and consolidations; organizational productivity and effectiveness; international management; and economic business development. One project already completed was a study of new business start-ups in the educational software field. Supported by the Control Data Corporation, the study looked at 14 new businesses in four states. Negotiations are currently under way to continue the study on a longitudinal basis.

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*"The SMRC's initial research agenda centers on innovative management."*

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The center's research agenda will be reviewed and revised regularly, and Van de Ven indicates that, as its base of support expands, the SMRC hopes to provide "seed money" to faculty and doctoral students who have ideas for novel research aimed at solving key general management problems.

Financing for the center and its activities will come from two sources—grants in support of specific research projects, such as those from the Office of Naval Research and Control Data Corporation, and from fees from sponsoring organizations. Already three firms, Dayton Hudson Corporation, Magnetic Controls Company, and CENEX have agreed to become SMRC sponsors. A number of other firms are considering sponsorship.

Van de Ven says he's confident that the center will really take off during the next year or so. But he emphasizes that it is vitally important for the center to continue attracting additional sponsors who can provide funding, contribute their time and skills to enhance the center's learning environment, and provide access to their organizations for conducting research.

Anyone with questions about the SMRC's research or other activities can call Van de Ven at (612) 376-1502. □



School of Management students, alumni, faculty, and corporate representatives gather for the School's 24th Annual Business Day.

Photo by Tim Rummelhoff

# Business Day:

## *Making little things count for everyone*

Every year 800 to 900 of the School's students, faculty, and alumni, together with corporate representatives, meet for a day to exchange ideas, discuss current management topics, and converse informally.

That day, the School's 24th annual Business Day was April 10, 1984, and the gathering was held at the Radisson South Hotel.

More than 60 corporations sponsor Business Day. Undergraduate and graduate students select a Business Day theme and organize the day. This year's theme was "Making the Little Things Count: A Path to Excellence."

Business Day convened with a case study session. Professor **Dick Cardozo** of the School's marketing department moderated this session at which **Edward Robbins**, director of human resource development and training for Gelco Corporation of Minneapolis, and **Roger Worth**, president, Cuyuna Development Company, Crosby, Minn., reviewed actual cases from their companies. The cases, one a personnel issue and the other a growth strategy issue, were then discussed in small groups by the

audience. The small discussion groups, each led by alumni volunteers, came up with short- and long-term strategies for the issues, and presented solutions to the panel and to the audience.

Business Day also provided opportunities for students, faculty, alumni, and corporate representatives to examine specific topics with eight different panels of experts from the Twin Cities management community.

Each panel focused on a specific area of management. The topics were: career planning, corporate culture, financial planning, careers, franchising, new roles for men and women in business, personal growth, salesmanship, and small business. Alumni represented as panelists included **Kay Barber** '75MBA, The Pillsbury Company; **Karen Hawley** '80Ph.D., Honeywell Inc.; **Steve McArthur** '67, B. Dalton Bookseller; **Jim Rustad** '72MBA, Merrill Lynch, Pierce, Fenner, and Smith; **Dale Flexner** '81MBA, 3M; **Ken Reynolds** '83MMI, Northwestern Bell; **David Reynolds-Gooch** '81MBA, General Mills; and **Nancy Browning** '81MBA, Tymshare Inc.

The panel presentations were followed by a social hour, Business Day banquet, awards ceremony, and keynote speech. Awards

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# Companies and universities are partners in the search for excellence

Highlights from the Business Day 1985 keynote speech delivered by Allen F. Jacobson, executive vice president, Industrial and Consumer Sector, 3M:

"Alfred P. Sloan, the legendary chairman and organizational architect of General Motors, once made an observation that seems fitting for the interests you bring together in this Business Day.

Sloan said that 'The American university and corporation are two of the greatest contributions of our age. If these two forces can go forward together in understanding and cooperation' he said, 'there is perhaps no problem beyond their joint power for resolution.'

3M and the University of Minnesota have gone forward together in understanding and cooperation for many years now . . . Evidence of our interdependence is obvious wherever you turn in 3M. We have had presidents and chief executive officers who graduated from the University of Minnesota. A recent survey of 2,000 people in upper management positions at 3M showed more with degrees from the University of Minnesota than from the next 10 schools combined.

A review of our corporate contributions program for last year shows that more than six hundred thousand dollars was directed to the University of Minnesota . . . more than triple the amount going to any of the several hundred other schools receiving 3M contributions.

We established a Chair in Human Systems Management in your School and have had the opportunity to learn of Dr. (Andrew H.) Van de Ven's interesting program in studying innovation in business . . . a subject important to business, to 3M, and to

Minnesota."

Reflecting on the theme, "Making the Little Things Count—A Path to Excellence," Mr. Jacobson said, "I like it. And I know something about little things that count.

"Now, it may be that excellence, like virtue, is its own reward. But I believe that here there are some further goals that relate to our search for excellence. We have had three very special reasons for pursuing excellence at this time—three reasons why we have to strive to do things better.

The first big reason for our pursuit of excellence is the critical need for U.S. industry to rebuild its profitability . . . so that our economy has the seed money to grow.

A second worthy goal for pursuing excellence is the need we currently face to avoid the trap of a national industrial policy, as defined by some of our political leaders . . . so that our ability to meet market needs rather than politics determines our future.

The third and final goal in our search for excellence is probably less a goal than it is an area in which we must excel if any of our other goals are to be realized . . . and that is the management of technology . . . technology has gotten out of the laboratory. It's in the marketing department. It's in accounting. It's in the board room. Today, a company's board members will ask 'Is it state-of-the-art?' more often than they ask 'What does it cost?'"

Jacobson concluded his speech—and the day—by saying "I'm excited about the quest for excellence—the interest in quality—and its power to help achieve these three further goals. I'm excited about the resources that universities and corporations . . . together . . . can bring to bear on the search."

## Photos from Business Day



Allen F. Jacobson



Members of the School of Management's Board of Overseers at Business Day, Curtis L. Carlson, chairman and president, Carlson Companies Inc. (pictured above) and Ronald M. Hubbs, chairman, The Bigelow Foundation. (pictured on right).



Photos by Tim Rummelhoff

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were given to: **Eric Berkowitz**, associate professor, marketing, Outstanding Teacher of the Year; **Barton D. Warren**, assistant vice president, First Bank Minneapolis, Recruiter of the Year. Outstanding TA/Instructor awards were presented to **Dennis Misurell**, teaching assistant, marketing department; **James Ward**, teaching assistant, marketing department; and **Ingrid Ulstad**, lecturer, accounting department. These awards recipients were selected by School of Management students.

Another special award was presented from the School and its alumni to **Steven W. McArthur**, '67, immediate past chairperson of the Alumni Advisory Council and vice president and controller, B. Dalton Bookseller, by **Bette Abraham**, '81MBA, chairperson, Alumni Advisory Council and senior strategic planner, First Bank Minneapolis and First Bank St. Paul. The award recognized McArthur's contributions.

The day's finale was the keynote speech delivered by **Allen F. Jacobson**, executive vice president, Industrial and Consumer Sector, 3M. Jacobson's speech, "The Excellence Search—Some Further Goals" reflected the day's theme, emphasizing understanding and cooperation between American universities and corporations, and addressing 3M's goals relating to that company's search for excellence.

The School of Management's next Business Day is scheduled for April 23, 1985, at the Radisson South Hotel. Business Day 1985 will be the School's 25th Annual Business Day. For information on Business Day 1985, contact Jean Byrne, administrator and Business Day Coordinator, at (612) 373-3701. □

*Barton D. Warren*



*Photos by Tim Rummelhoff*



Bette Abraham, Chairperson, Alumni Advisory Council presenting a plaque to Steven McArthur, Alumni Advisory Council Past Chairperson.

# Manager's MBA may be for you

by Norman L. Chervany

A March 26, 1984 *Business Week* article described "a relatively new and increasingly popular kind of MBA program—the Executive MBA." This MBA program is designed for the experienced manager, one with at least 10- to 15-years varied managerial or professional experience. The article mentioned the Manager's MBA program at the School of Management, along with eighteen other "leading Executive MBA Programs" at schools such as Northwestern, Wharton, and Stanford.

The logistics of these programs are straightforward and similar. The admission requirements are academic capability and a successful managerial career with increasingly more general management responsibilities. The programs meet one full day each week (Minnesota's Manager's MBA meets every Friday). The program's focus is general, as opposed to specific (e.g., marketing or MIS) management. Organizations send the students who are expected to continue their regular full-time job responsibilities while attending classes.

Why (other than personal goals and satisfaction) would a successful manager want to enroll in an Executive MBA program? Isn't an MBA supposed to be a key for starting a

successful managerial career? Are there any unique things that an Executive MBA can provide?

The answer to the first question depends on the types of students who enroll and at what level they are in their careers. While some of the students have general management responsibilities, most students are still in functional/specialty positions. But they have progressed well and either are about to move into general management or have an ever-increasing need to interact with people from all areas within their organization. Thus they need to have an in-depth understanding and appreciation of other disciplines. Furthermore, they should continue to develop their understanding of why people, both as individuals and as part of groups, behave. This broad-based focus across many different functional areas of management and the intensive examination of people-related issues are the hallmark of good Executive MBA programs. Although experience may be the "best teacher," managers don't always learn these general management topics and concepts as thoroughly as they should.

Minnesota's Manager's MBA is dedicated to the general management theme. All students are exposed to intensive coursework in the key functional areas—accounting, finance, marketing, information systems, and operations. They also do extensive work in the human resource area, studying it as a critical part of any organization. They study the motivations and behavior of people in the workplace. One highlight is the second year course "Organizational Power and Politics." These functional areas and behavioral topics are placed in a context of the macro-economic and business/governmental issues of our times.

The answer to the second question also rests on the types of students. Learning occurs from three different sources. A student learns from his or her individual efforts and from the instructor. But some of the most exciting and permanent learning occurs from classmates. The Executive MBA offers a unique resource for this type of sharing. People who collectively have experienced many problems and situations present and debate ideas. A challenge to all MBA programs is to achieve the appropriate balance between theory that underlies management and practical guidelines that make theory work. The experienced class composition of Executive MBA programs forges this balance.

The Minnesota Manager's MBA works on the theory/practice balance in a number of ways. One exciting way is known as "your own company projects." Students are asked to apply the course concepts to specific problems in their own companies. For example, in the managerial statistics class, students are asked to select a managerial problem and to design a data analysis project that will help them better understand and resolve the problem. In the second year marketing class, students are asked to develop a market plan for an organization's products or services. Doing the assignments is beneficial, but the even bigger payoff occurs when these assignments are discussed in class. Imagine the critical resources (the professor's and students' experiences) that can be used for evaluations and suggestions.

There has been dramatic growth in Executive MBA programs. According to the *Business Week* article, "In 1974 there were about 10 schools nationwide offering the program. Now there are nearly 100." Executive MBA programs are not a fad. They are quickly becoming an important way in which managers can continue to develop. If you have the ability, experience, and the energy, they may be just what you need.

For further information, please contact the Office of Professional Management Programs, (612) 373-5505. □

Norman L. Chervany is professor of management sciences and director of Professional Management Programs at the University of Minnesota School of Management.



Norman L. Chervany

Photo by Tim Rummelhoff

# Chinese exchange near approval

Although it has not yet been written down, the School of Management and the Shanghai Institute of Finance and Economics have worked out an agreement in principle for an academic exchange program, says School of Management Acting Dean Edward Foster. The agreement was reached during a visit to Minnesota in March by Er-Ying Lou, accounting professor at the Shanghai Institute. If, as Foster hopes, the agreement is completed during the current calendar year, the program could begin as early as 1985-86.

According to the prospective agreement's terms, the School of Management would send faculty to China to work with specific Shanghai Institute faculty on joint research. One possible research project already discussed is a study of U.S.-Chinese joint economic endeavors. Foster says that Shanghai is becoming a major Chinese center for such endeavors and cites 3M's recent announcement that it will establish in Shanghai one of the first wholly foreign-owned companies in China.

Thus researchers would have a terrific opportunity to more closely examine these types of phenomena. What has the experience been so far? What seem to be the pitfalls? And how can these pitfalls be avoided?

For its part, the Shanghai Institute has indicated less of an interest in sending research faculty to Minnesota than in sending Ph.D. and postdoctoral research scholars here to expand their education.

School of Management administrators view the tentative agreement as a very exciting development. Within the past two years, the school has instituted academic exchange programs with two other institutions: Lyon III University in Lyon, France, and Keio University in Tokyo, Japan.

According to Associate Dean for External Affairs David Merchant, the agreements are all really part of a broader effort—that of "internationalizing" the School's curriculum. The need for increased emphasis on international education has received a lot of attention in the last few months due to the recently released recommendations of the Stassen Commission appointed by Minnesota Governor Rudy Perpich. Merchant notes that while some have accused the School of being "opportunistic," its efforts to bring more of an international perspective to its curriculum go back much further than the Stassen Commission. "We have been seriously working on these ideas for at least a year and a half!"

Merchant contends that no management curriculum can be complete without taking international business into account. And meetings with both faculty and the School's Board of Overseers have confirmed that both groups see the increasingly international marketplace as one of the most significant developments affecting business today.

School officials want to incorporate relevant international material into existing management courses, with the general goal of internationalizing the entire curriculum.

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## EXCHANGE from page 11

For instance, faculty could be encouraged to use international examples as case studies in their courses, exposing students to the realities of the international marketplace, Merchant says. This approach can effectively increase awareness and knowledge about international affairs and could be easily encouraged, he says.

The School also wants to investigate developing overseas study programs and internships for students, establishing noncredit courses for existing managers (to be offered through the School's Executive Development Center), and creating a major or specialization in international business, Merchant says. School officials will ask business community representatives for suggestions to help determine needs.

Once needs are determined, the School will look for funding to develop curriculum ideas addressing those needs. Merchant would especially like to see the School recruit a scholar of recognized stature in this area—possibly through a chair in international business—who could serve as a catalyst for the overall effort.

In the meantime, the School is extremely pleased with the relatively new faculty exchange programs. Spring quarter, Raymond Willis, professor of strategic management and organization, visited and taught at Lyon, while Andre Flory, computer science professor and director of the Information Lab at Lyon's business school, spent the term coteaching a graduate course with management sciences' Sal March and working with March on an information systems design methodology research project. Flory noted that, in contrast with their European counterparts, American management information systems (MIS) programs have tended to ignore the whole area of systems design methodology. But he had nothing but praise for March and the whole Minnesota MIS team. "The program can be considered one of the best in the field."

In addition, this spring two economics professors from Keio University, Fumimasa Hamada and Michikiro Ohyama, came to the School of Management for several months of research while Minnesota Insurance Industry Professor Arthur Williams visited Keio to study workers' compensation, government regulation of property and liability insurance rates, and risk management. Williams was as enthusiastic about his stay at Keio as Flory was about Minnesota. In a letter to Dean Foster last April, Williams wrote that the faculty and staff had been extremely helpful and friendly, and the library top-notch. "I have discovered several faculty with interests in risk management and insurance or social insurance. . . . Keio actually teaches more courses in risk management and insurance than we do! Thanks for giving me this opportunity."

In mid-June professor James Scoville of the School's industrial relations department visits France to teach in a six-week, joint Minnesota-Lyon summer institute. And, if the School of Management has its way, international opportunities for faculty and students will continue to expand. □

# School investigates personal computers for curriculum

In the television commercial, IBM personal computers propel a Charlie Chaplin look-alike toward a successful hat business. In real life, School of Management leaders are laying plans for comparable scholastic success with a similar tool.

Personal computers would allow faculty to create more sophisticated curriculum and give students direct experience with the microcomputers they will encounter widely in business.

To plan for using computers in curriculum, the School of Management participated in a conference last fall in Raleigh, N.C. Sponsor IBM invited deans of top business schools nationwide to attend and discuss their computing needs, said Frederick J. Beier, School of Management associate dean.

Besides Minnesota, participating schools included Carnegie-Mellon, Chicago, Columbia, Duke, Georgia State, Harvard, Michigan, New York University, UCLA, University of California at Berkeley, Virginia, and Wharton.

"The interesting part of the conference I found was the different stages of development that the schools were in," Beier said. "We aren't totally unique in that we are just beginning to move into this question of microcomputing. As a matter of fact, we are probably the norm."

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## *A personal computer is a powerful analytical tool.*

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Schools like Columbia and New York University were the most advanced, with an organized plan and some development of personal computing systems. Others are currently working on strategies, both for developing personal computing systems and for financing that development, Beier said.

To promote both activities, IBM recently announced a contest. Business schools must submit a proposal for using personal computers for the development of curriculum, faculty, and research. Winning plans could earn their schools up to \$1 million in equipment plus up to \$1 million in cash grants.

The IBM competition provides strong incentive for the School of Management to produce a specific, schoolwide plan, Beier said. A comprehensive approach will be taken, instead of a faculty-by-faculty, department-by-department one, he said.

Currently the school has a computer lab on the seventh floor of Management and Economics, and students have access to facilities at the West Bank Computer Service Center, Beier said. A comprehensive system would increase the ease of computing.

"One of the advantages is the transportability of the disk. It's a relatively simple way to deal with a lot of data," Beier said.

"(A personal computer) is primarily a powerful analytical tool... It allows us to make the curriculum more sophisticated because it expands the scope of the different kinds of problems the curriculum can face."

It's hard to find a business office that doesn't have some sort of personal computer, he said. It's a new way of approaching problems, and students have to be exposed to it if they are to have the necessary tools, he noted.

"Other advantages are it provides a great many more opportunities to do sensitive analysis—asking what-if questions in analyzing a problem." Because evidence shows that people write better on word processors, business students also could boost their writing skills by using a personal computer, Beier said.

A personal computing system in the School of Management would take shape like the ripples that form when a rock is dropped in water.

Faculty would get the personal computers first, which they could use for research and curriculum development. Then, access would expand to students in computer labs. Ultimately, a program could be developed involving educational discounts making computers affordable for students to buy.

"That's really going to take some time. One of the difficulties is that the technology is growing so rapidly that almost as soon as you commit yourself to a microcomputer you are outmoded because tomorrow something newer is going to come by," Beier said. The rapid changes probably will slow down in about three years, giving the school enough time to plan a comprehensive program, he added.

"One of the conclusions of the conference among deans was that money for hardware is only part of the problem," Beier said. Schools also need to be concerned about costs of space to house computers, attendants to watch labs, maintenance, and security," he said.

Though Minnesota hasn't made as much progress in the area of personal computing as Beier would like, "We are deeply committed to success in this endeavor." □

## Innovation: School pioneers franchise instruction

The University of Minnesota is the only academic institution in the country offering a full-quarter course in franchising, according to Lillian Werner of the School of Management's marketing department. Werner's course got its start about four years ago when a department head sent out a memo concerning teaching assignments for the upcoming academic year. "In his memo," recalls Werner, "he asked us what we would teach, if we could teach anything we wanted... pie in the sky." That was the green light for which she had been waiting.

Werner had been concerned for a long time about what she sees as a major gap in marketing/retail management curricula at U.S.



Photo by Tim Rummelhoff

Lillian Werner, marketing lecturer at the School of Management (third from left), chairs panel of franchise experts (L to R): Alan McDowell, Thomas Lehmann, and Charles Modell.

business schools. Franchising, a marketing system found in some 40 industries (from soft drink bottlers to muffler shops to hotels to fast food restaurants), has enjoyed uninterrupted growth during the past 20 years. U.S. Department of Commerce statistics show franchising to be the fastest growing segment of retailing today. In 1982 franchise operations directly employed nearly five million people, and franchising's current one-third share of total retail sales is projected to become a 60 percent share by 1996.

Yet despite the scope and strength of the phenomenon, Werner notes that there are almost no textbooks on the subject. And general retail management texts have rarely devoted a chapter to franchising, usually dealing with it only in a few paragraphs. So while she had been collecting files of materials since the 1960s (Werner has been a member of the School of Management faculty for 37 years), she had her work cut out for her when she put together that first course syllabus back in 1980.

Werner's involvement with franchising has hardly been confined to teaching one course a year. Shortly after the course was approved, she decided to attend a management training workshop that was held in Chicago by the International Franchise Association (IFA), a franchisors trade association. The problems she heard convinced her that someone had to bring industry and the academic community into closer communication. For, not only did franchise operations represent a tremendous opportunity for business school graduates, but the industry could clearly benefit from an infusion of bright, trained management students.

Werner, the only academic in attendance at the workshop, raised some tough questions. "Why doesn't the association do more to make the academic community more aware of franchising? Why don't you have in place any student internships or management trainee programs? Why aren't you down at our placement office, along with the recruiters from the department store chains, etc.?" Apparently enough feedback reached IFA's top leadership, and in 1981, Werner was appointed chair of the University Schools of Business Subcommittee of the IFA's newly created Educational Institutions Committee, a group of franchisors and educators brought together to increase awareness and understanding of franchising.

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Her continued work with the committee and continued contact with IFA staff have resulted in some tangible benefits for academic institutions: greatly reduced educational IFA membership fees; waiver of the registration fee for academics and students attending the IFA's annual convention; and a half-price educational subscription rate to the *Continental Franchise Review*. Werner emphasizes that it is important for academics to develop their own franchising syllabi and to be even handed in their treatment of the subject. But teaching a franchising course without the secondary materials and data provided by the trade association would be impossible, given the lack of good textbooks and the general absence of academic work on the subject, she says.

Last February Werner made a presentation about teaching franchising within a marketing curriculum to some colleagues at a retail workshop in San Antonio, Texas. The workshop was sponsored by the Southwestern Marketing Association, the American Marketing Association, and the American Collegiate Retail Association.

Werner has also been invited to serve on the Franchise Academic Advisory Council of the University of Nebraska, Lincoln, College of Business Administration's newly organized Franchise Studies Program.

She helped School of Management students organizing the April 10 Business Day activities set up a panel discussion titled, "Franchising—Fortunes in Partnership." As moderator, Werner invited a representative group of speakers: Thomas Lehmann, managing director of International Operations, Dairy Queen Inc.; Alan McDowell, a former investment banker who has developed numerous successful franchise restaurants; and Charles Modell, a Twin Cities attorney with extensive expertise in the franchise law field. □

## Employment relations examined

Labor and human resource practitioners examined significant contemporary changes in legal, economic, and demographic environments affecting employment relationships at the Fifth Annual Industrial Relations Institute held during October 1983.

The Industrial Relations Center and the Industrial Relations Alumni Society sponsored the Institute.

Mary Rowe, special assistant to the president of MIT, identified instrumental pressures producing constructive and destructive activities for both employer and employee. She reviewed the range of external developments that now constrain "at will" employment decisions and presented a compelling case supporting the installation of "complaint" systems within organizations.

A panel continued the discussion. Members included Kenneth M. Hall, vice president, personnel resources, Tennant Company; Paul W. Goldberg, director, Bureau of Mediation Services, State of Minnesota; James M. Dawson, attorney-at-law, partner,

Felhaber, Larson, Fenlon & Vogt; and Rolland C. Toenges, labor relations director, Hennepin County.

Dale Beihoffer, attorney-at-law, partner, Faegre and Benson, focused specifically on the "at will" employment question. He presented a careful assessment of ways Minnesota jurists apply the doctrine of "at will" employment. Beihoffer identified legal differences concerning employee terminations. The relationship among termination and statutes, theories of implied contract, and tort theories received special attention.

Robert G. Howlett, chairman, Federal Services Impasse Panel, and long-time arbitrator and mediator, advocated passage of federal legislation that would allow employees not otherwise protected an opportunity to appeal their terminations to neutral third parties.

Two panel discussions focused on changing employment boundaries between employee and employer rights, examining policy/procedure handbook statements, employment procedures, performance management/appraisal, compensation/benefits programs, and discipline/termination practices. Participants included: moderator, Roy Richardson, vice president of human resources, Graco Inc.; Donald Moersch, vice president, industrial relations, Magnetic Controls Company; Mary F. Logeland, director of employee relations, Ed Phillips & Sons Co.; Clarence Harris, director of human resources, Abbott-Northwestern Hospital; Steven C. Kumagai, director of compensation and operations, Investors Diversified Services Inc.; and Joseph W. Ettel, vice president, industrial relations, Republic Airlines.

The second panel addressed issues of organizational "due process" and implications for employer/employee relations, national trends and experiences in dispute resolution, and the influence of unions and employee rights groups. Panel members were Dee H. Kemnitz, vice president, employee benefits, Carlson Companies; Roger W. Wheeler, president, human resource services, Control Data Business Advisors; Daniel G. Jacobowski, chairman, Conciliation Board of the Archdiocese of St. Paul and Minneapolis; Bernard Brommer, executive vice president, Minnesota AFL-CIO; and moderator, John J. Flagler, director, Labor Education Service, Industrial Relations Center, University of Minnesota.

At a banquet following the formal panel presentations, Georgianna Herman, supervisor, Industrial Relations Center Reference Room, received the IR Alumni Society's "Distinguished Achievement Award." Professor Ray Marshall, former U.S. Secretary of Labor, in concluding remarks, observed that within the next twenty-five years, the nation's challenges for economic growth without inflation will be more closely tied than ever to human resource and industrial relations policies and practices. □

# Bette H. Abraham heads Alumni Advisory Council

**Bette H. Abraham** '81MBA, succeeded **Steven W. McArthur** '67 as chairperson of the Alumni Advisory Council in March. McArthur, vice president and controller, B. Dalton Bookseller, was the Council's first chairperson.

The Alumni Advisory Council was established in the 1981-82 academic year after a committee of the School's former Business Administration Alumni Society spent a year in strategic planning.

The planning committee first developed a mission statement for the School's alumni group. The statement "our mission is to help make the School the best possible and to maintain strong alumni relationships" led to the Business Alumni Society Board of Directors' recommendation to phase out the Business Administration Alumni Society and to establish the current alumni leadership group, the Alumni Advisory Council (AAC).

Abraham, a member of the original planning committee, sees her new role as one that will work with the Alumni Advisory Council (AAC) mobilizing alumni to help the School achieve its goals. "Under Steve McArthur's leadership, a solid foundation was built for the Alumni Advisory Council. I want the AAC to continue to have an active, positive impact; to represent all types of alumni from undergraduate alumni to alumni of Executive Development programs; to broaden its range of concerns; and to help bring the School into the business community in a pro-active way," Abraham said.

Other members of the original Alumni Advisory Council include **Kay Barber** '75MBA, The Pillsbury Company; **Jim Cox** '50, NSP; **Merle D. (Buck) Messen** '59, '73MBA, 3M; **Jim Rustad** '72MBA, Merrill Lynch, Pierce, Fennner, and Smith; **David Reynolds-Gooch** '81MBA, General Mills; and **Gretchen Roufs** (ex officio) director of alumni relations, School of Management.

Abraham sees the 18,000 alumni of the School of Management as its "primary external support group which will help the School achieve its goals. The role of the Alumni Advisory Council, especially at a time in which a new dean is coming on board, is to step in with assistance as needed and to represent alumni interests and priorities.

"We, as alumni, are 'products' of the School, and therefore have a vested interest in the School of Management. The AAC, as the designated alumni leadership board, is not afraid to speak up with alumni ideas, comments, and concerns. The members of the Council, its committees, and other alumni volunteers are involved because each of us has a personal commitment to the School. We support the School because we know there is a direct relationship between the value and prestige of our degrees and the level of excellence at the School.

We are also involved in the School, because, as Steve McArthur said at the end of his term as AAC chairperson, we "received a lot from the School and by being involved as an alumnus, it is a way to give something back."

Abraham, a member of the first graduating class of the revised MBA program, is a senior strategic planner for First Bank Minneapolis and First Bank St. Paul. She received a B.A. from Lake Erie College in Ohio in 1968 and an M.A. in psychology in 1970 from the University of North Dakota. While a University of Minnesota student, she was president of the MBA Association and received the University of Minnesota President's Student Leadership and Recognition Award.

For more information about the Alumni Advisory Council, contact Bette Abraham at (612) 370-4815 or Gretchen Roufs at (612) 376-3217. □

## Commencement 1984: School prepares grads well

A School of Management degree can be stepping stone for a highly successful business career, Harry A. Hammerly, 3M's vice president of finance, told 276 School of Management graduates who received their degrees at the December 1984 undergraduate baccalaureate commencement.

The degree equips graduates to enter the business world and provides the "toolbox" of skills and knowledge necessary to keep learning on the job, he said. Making the transition and career changes can be exciting if you "learn to use the tools in real time; on the job... your talents and your tools will be worth what you do with them," he said.

Hammerly understands the massive changes that can happen with any career. "When I left school, there were no jet airline flights and no satellite communication links. Ballpoint pens, copying machines, and computers were still a novelty. The U.S. was the world's undisputed technology leader and made-in-Japan usually meant shoddy merchandise."

Students should become familiar with other cultures and languages. "Hundreds of smaller firms in the Twin Cities have a... stake in the world trade because they are suppliers to the larger firms," he said. "A global view of business must become part of your toolbox."

Graduates must also learn to work with people. "Books have given you some basic tools, such as accounting, statistics, and computers... But on the job... you will find that business is primarily a matter of relations between human beings." Motivation is the key he stressed, quoting a sign on a colleague's desk: "An ounce of motivation is worth a pound of threats, 10 pounds of pressure, and a ton of reminders." Graduates will need human relations skills if they plan to successfully apply their basic management or accounting skills, he said.

Graduates must remember to adapt to change by keeping their "tools sharp and current." In the rapidly changing technological climate, "business will be conducted at a much faster pace in the future and product life cycles are likely to be shortened... Your problem will be one of having too much information... In order to pick and choose and decide what information is useful, you will have to continue your education and keep your tools sharp and current." □

# Accounting sponsors breakfast forums

The Breakfast Forum series presented by the Department of Accounting started in January with an audience of more than 400 alumni and friends of the department and members of the accounting community. Featured speaker Clarence Sampson, chief accountant of the Securities and Exchange Commission, discussed current issues at the SEC.

The breakfast forums will be held three times each year and will present distinguished speakers to discuss professional, public, or academic issues in accounting. The forums provide an opportunity for interaction among members of the accounting community. They are a place to discuss concerns and current issues in accounting, and to learn about University, School, and department activities. The program includes breakfast, a speaker, and a question/answer session.

The next forum is scheduled for June 14, 1984, at the Hyatt Regency, Minneapolis. James J. Leisenring, director of research and technical activities at the FASB, will be the speaker. Reservations are necessary, and the cost is \$20 per person. For further information please write Breakfast Forums, Department of Accounting, School of Management, University of Minnesota, 271 19th Ave. S., Minneapolis, MN 55455. □

## Building skills: Programs aid minority students

The School of Management actively recruits minority candidates through University Advance and the Minority Business Scholarship.

University Advance helps junior high and high school minority students develop skills in mathematics and English, interest in management and engineering, and confidence in themselves, their community, and the University. U Advance, a partnership of the University of Minnesota School of Management and Institute of Technology, the Minneapolis-St. Paul public school systems, and the business community, prepares students for two of the University's most selective undergraduate professional schools.

The six-year program begins in the eighth grade and continues into the students' first year of college. Approximately 150 students per year, for a total of 650-700 students, will be enrolled.

The "Math Bridge" program introduces eighth-grade students to computers and precollegiate studies. University Advance representatives contact Math Bridge "alums" throughout their high school years, but particularly during their ninth grade. Special tutoring and other support services are available.

Two one-week Computer Camps in the summer for students between ninth and tenth grades in high school are scheduled for the first time in June 1984. The camps will enroll 50 high school students, most of whom have participated in the Math Bridge Program, introducing them to computers, basic computer functions, and computer use in business and education. Students will

spend the camp's last day touring the School of Management and Institute of Technology and participating in an awards ceremony.

The Minority Business Scholarship provides financial support for talented minority students seeking degrees from the University's School of Management. Awards are made to minority students who show potential for successfully completing the School's degree requirements and making significant contributions to the business community.

Black, Hispanic, or Native-American premanagement students entering the College of Liberal Arts Martin Luther King program with high academic performance in high school or in previous college experience may be eligible for the scholarship.

Seventeen students are currently awarded the tuition plus merit scholarship. Approximately 10 students were selected for the 1984-85 school year. □

## Chervany elected fellow

Norman L. Chervany, director of the School of Management's Professional Management Programs, was elected a fellow of the American Institute For Decision Sciences, a professional organization with about 3,500 members devoted to the advancement of the teaching, research, and application of quantitative and behavioral concepts in organizational decision making.

Chervany was cited "for his administrative leadership; his research contributions in the field of management information systems; his innovations in the teaching of management science by means of team projects dealing with real-world problems; his service to AIDS as council member, president of the Midwest Region, program chairperson, committee chairperson, vice-president, and president."

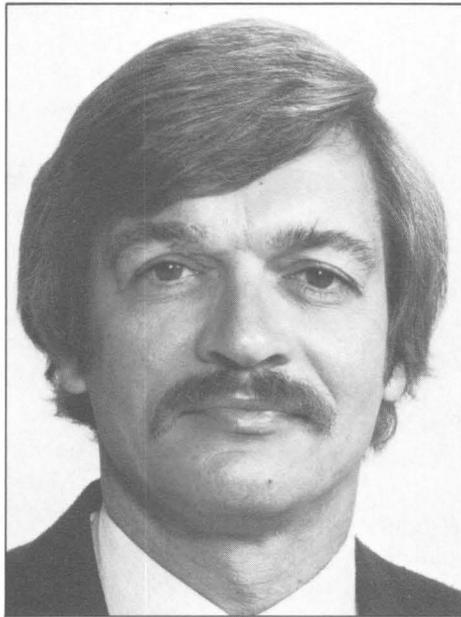
"It is truly an honor to be recognized by your colleagues," said Chervany. "The work, however, is still in its infancy. The integration of quantitative methods and behavioral principles will be vital if management is to meet the challenges of productivity, quality, and organizational innovation. I have been very fortunate to be associated with the people who make up AIDS. They are at the forefront of this very important work." □

## Seminar transcripts available

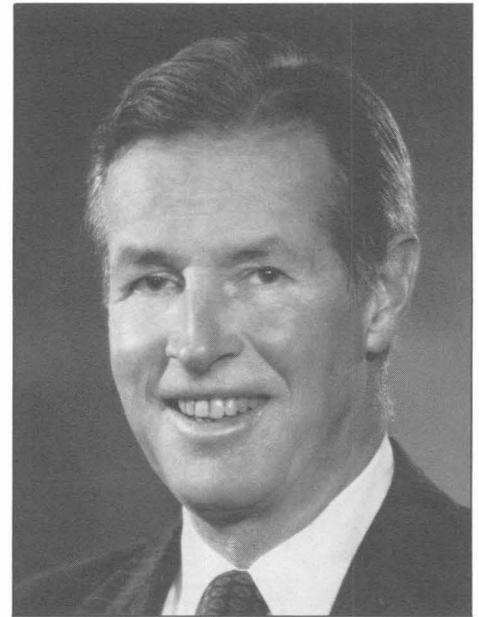
A limited number of transcripts of the seminar, "Managing Organizational Innovation and Change," are available from the School of Management. To order a copy, please enclose \$2.25 and address your request to: Kay M. Hubbard, Director, Corporate and Community Relations, University of Minnesota, 248 Management/Economics Building, 271 19th Ave. South, Minneapolis, MN 55455.



Darrell G. Knudson



Thomas E. Epley



Carl B. Drake, Jr.

## Three named to advisory body

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

They are: **Carl B. Drake, Jr.**, chairman and chief executive officer of The St. Paul Companies Inc.; **Thomas E. Epley**, vice president and general manager of FMC/Northern Ordnance Division; and **Darrell G. Knudson**, vice chairman, Regional Division of First Bank System Inc.

Drake joined St. Paul Fire and Marine Insurance Company, a subsidiary of The St. Paul Companies Inc., after his graduation from Yale University in 1941. He worked in various fields and underwriting positions before becoming president in 1963. He became CEO of The St. Paul Companies Inc. in 1973 and was elected to the additional post of chairman in 1977. Drake is chairman of the Board of Directors of the Ordway Music Theatre and a director of the Minnesota Private College Fund, St. Paul Area Chamber of Commerce, and United Arts Council. He is a trustee of Macalaster College, a director of Honeywell Inc., and

a member of the Policy Committee of the Minnesota Business Partnership.

After receiving his MBA from Northwestern University, Epley joined Allis-Chalmers Corporation in 1963. He began his career with FMC in 1970, working with the Chicago Chemical Group and the Philadelphia Chemical and Industrial Chemical Groups, and joining the Northern Ordnance Division as vice president and general manager in 1981.

Knudson began his banking career at the National Bank of South Dakota in Sioux Falls in 1958. He was named vice chairman of the Regional Division of the First Bank System Inc. in 1982 and holds directorships with the First Bank System Inc., FBS Agricultural Credit Corporation, and the American Lutheran Church Board of Pensions.

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

## Executives learn at breakfast sessions

"Breakfast With the Expert," a new seminar series offered this year by the Employer Education Service (EES) at the School of Management, will continue in 1984-85 based upon its current overwhelming success. More than 500 human resource professionals have already attended, and their response has been extremely positive.

This series provides the executive community with a variety of well-known speakers, both local and national, to discuss current

issues, programs, and future trends. The sessions are held monthly through June 1984 and will resume in September 1984.

The Employer Education Service (EES) is one community outreach service program of the Industrial Relations Center at the School of Management. EES has been providing educational programs to the Personnel and Industrial Relations (PAIR) community for the last 10 years, including professional education and resource center opportunities to employers, executive level briefing sessions, and training opportunities for personnel administrators.

Specific Breakfast session topics included: "Worker Burnout, Stress, and Other Dysfunctional Reactions to Change,"

**BREAKFAST to page 22**

# Faculty News

## New Appointments

**Dennis Ahlburg**, assistant professor of industrial relations, named associate editor, *Journal of Forecasting*.

**Gordon J. Alexander**, finance professor, named IDS Professor of Finance.

**Julie Carson**, formerly director of undergraduate studies, named associate dean for curriculum, College of Liberal Arts, University of Minnesota.

**Norman L. Chervany**, professor and director of professional management programs, named a Fellow of the American Institute for Decision Sciences (see story page 16).

**John Fossum**, associate professor of industrial relations, appointed member, Editorial Review Board, *Journal of Management*.

**Edward Freeman**, associate professor of strategic management and organization, appointed co-chair, Research Committee, Social Issues in Management Division, Academy of Management.

**Kathy S. Gardner**, visiting assistant professor of marketing at the School of Management during 1983-84, appointed assistant professor of marketing beginning fall 1984.

**Patrick J. Hess**, from Ohio State University, appointed associate professor of finance beginning fall 1984.

**Stefanie Lenway**, from Washington University, will join the School of Management as assistant professor of strategic management and organization, fall 1984.

**Chris Nachtsheim**, from General Mills, will join the School of Management as associate professor, decision sciences, fall 1984.

**Timothy J. Nantell**, finance professor, named Gelco Professor of Finance.

**Peter Smith Ring**, from the University of California at Irvine, will join the School of Management as associate professor of strategic management and organization, fall 1984.

**Kenneth J. Roering**, professor and chairman of marketing and business law, appointed to the Economic Development Task Force of the Minnesota Department of Energy and Economic Development to find effective marketing strategies for the state's economic development efforts.

**Gretchen Roufs**, director of alumni relations, named chairperson of the Robert H. Johnson Scholarship Committee for the Dyco Foundation.

**James Scoville**, professor of industrial relations, named adjunct professor, University of Minnesota Law School, summer 1984; to teach in Lyon, France.

**Gerald Smith**, from the University of Pennsylvania, will join the School of Management as assistant professor, decision sciences, fall 1984.

**Mark Treleven**, assistant professor of management sciences, certified as a fellow by the American Production and Inventory Control Society.

**James C. Wetherbe**, management sciences professor and director, Management Information Systems Research Center, named director of research for Association of Computing Machinery - Business Data Processing.

## New Grants

AT&T to **Edward Freeman**, associate professor of strategic management and organization, for research on stakeholder theory.

Marketing Science Institute to **Richard Cardozo**, professor of marketing and business law, to study changes in communication and distribution in industrial marketing systems (with Shannon Shipp).

McKnight Foundation grants awarded to:

**Richard D. Arvey**, industrial relations professor, to investigate the existence and extent of bias in job evaluation processes focusing on six bias and comparable worth issues.

**Andrew Bailey**, professor and chairman of accounting, and **Paul Johnson**, professor and director of Ph.D. program, to address the issue of expert systems techniques relating to the evaluation of internal controls in an accounting and auditing environment.

**Lane Daley**, assistant professor of accounting, and **Robert Vigeland**, associate professor of accounting, to study the information content of cross sectional differences in earnings forecasts as impounded in option prices.

**John Dickhaut**, associate professor of accounting, and **Chandra Kanodia**, associate professor of accounting, to study empirical tests of the sunk cost phenomenon.

**Gary Dickson**, associate professor of management sciences, **George Benson**, associate professor of management sciences, and **Geraldine DeSanctis**, assistant professor of management sciences, to study predictors of use of a home information system.

**Edward Freeman**, associate professor of strategic management and organization, to study game theory and strategic management.

**John Lehman**, assistant professor of management sciences, to study database requirements for computer graphics applications.

**David Naumann**, assistant professor of management sciences, to study various methods of problem domain representation used in information systems development, software engineering, knowledge engineering, and database development.

**Gary Scudder**, assistant professor of management sciences, and **Roger Schroeder**, professor of management sciences and director of the Operations Management Center, to study the computerized factory of the future.

National Science Foundation to **Ian Maitland**, assistant professor of strategic management and organization, to study the political consequences of supracorporate linkages.

## Publications and Activities

**Dennis Ahlburg**, assistant professor of industrial relations: "A Study of Macroeconomic Influences on the Probability of Union Decertification," *Journal of Labor Research*, spring 1984 (with J.B. Dworkin, Purdue); "Majority Voting Rules and the Union Success Rate in NLRB Representation Elections," *Journal of Labor Research*, summer 1984; "Socioeconomic Ramifications of Changing Cohort Size," *Demography*, February 1984 (with

M.O. Schapiro, USC); "Suicide and Unemployment: Some Earlier Evidence," *Journal of Post Keynesian Economics*, winter 1983/84 (with M.O. Schapiro).

**George Benson**, associate professor of management sciences: "Investigating the Valuation Effects of Announcements of Voluntary Corporate Selloffs," *Journal of Finance*, volume 39, number 3, June 1984 (with Gordon J. Alexander and Joan M. Kampmeyer).

**Richard N. Cardozo**, professor of marketing and business law: "Applying Financial Portfolio Theory to Product Portfolio Decisions: An Empirical Study," *Journal of Marketing*, spring 1983 (with David K. Smith, Jr.); "Modelling Organizational Buying as a Sequence of Decisions," *Industrial Marketing Management*, 1983; "A Risk-Return Approach to Product Portfolio Strategy," *Long Range Planning*, spring 1984 (with Jerry Wind).

**Grover A. Cleveland**, associate professor of accounting: Sabbatical leave during the 1984-85 academic year to work with McGladrey, Hendrickson, and Pullen of St. Paul.

**Bruce R. Feiring**, assistant professor of management sciences: "Penalty Function Techniques: A Tutorial," to appear in *Computers and Industrial Engineering*; presented paper at the sixth national Conference on Computers and Industrial Engineering in March 1984; presented paper at spring ORSA/TIMS Joint National Meeting in San Francisco, May 1984.

**John Fossum**, associate professor of industrial relations: Appearance on WTCN-TV program *Concern* January 1984 to answer questions regarding the status and vitality of the labor movement following the recent recession.

**Edward Freeman**, associate professor of strategic management and organization: "Multiple Principal-Agent Problems in the Corporation," Midwest Political Science Association, Chicago, April 1984; *Strategic Management: A Stakeholder Approach*, 1984, Pitman Publishing Company.

**Doris L. Holt**, assistant professor of accounting: "Bondraters Use of Management Financial Forecasts," in *The Accounting Review*, October 1984 (with Paul Danos and Eugene Imhoff, Jr.).

**Ian Maitland**, assistant professor of strategic management and organization, **John Bryson**, associate professor of the Hubert H. Humphrey Institute of Public Affairs and associate director of the Strategic Management Research Center, and **Andrew Van de Ven**, 3M Professor of Human Systems Management: "Sociologists, Economics, and Opportunism," to appear in *Academy of Management Review*, 1985.

**Charles Manz**, assistant professor of strategic management and organization: "Searching for the Unleader: Organizational Member Views on Leading Self-Managed Groups," *Human Relations*, in press (with H. Sims); "Observing Leader Verbal Behavior: Toward Reciprocal Determinism in Leadership Theory," *Journal of Applied Psychology*, in press (with H. Sims); two presentations at the Pan Pacific Conference: A Business, Economic, and Technological Exchange, Honolulu, March 1984.

**S. T. March**, assistant professor of management sciences: "Computer Aided Physical Database Design Methodology," *Computer Performance*, December 1983 (with J. V. Carlis); "A Mathematical Programming Approach to the Selection of Access Paths for Large Multiuser Database," *Decision Science*, fall 1983.

**John Schreiner**, professor of finance and insurance: series of articles describing the Minnesota income tax and making recommendations for improvement, *St. Paul Dispatch*, April 3-6, 1984.

**Shyam Sunder**, professor of accounting: "Simpson's Reversal Paradox and Cost Allocation," *Journal of Accounting Research*, volume 21, number 61, 1983; "Limits to Information," presented at Accounting Research Convocation, University of Alabama, November 12, 1983; "Marginal Gain in Accuracy of Valuation from Increasingly Specific Price Indexes: Empirical Evidence for the U.S. Economy," *Journal of Accounting Research*, autumn 1983 (with Greg Waymire); "Rational Expectations and Aggregation of Diverse Information in Laboratory Security Markets," Accounting Research Working Paper 84-1; "Rational Expectations Equilibrium in Asset Markets with Costly Information: Experimental Evidence," working paper, Accounting Research Center, 1984.

**James C. Wetherbe**, professor of MISRC and management sciences: *Systems Analysis and Design: Traditional Structured and Advanced Concepts and Techniques*, West Publishing, 1984; *Cases in Structured Systems Design*, West Publishing, 1984; *Management of Information Systems*, McGraw-Hill (with Gary Dickson); "Managing in the 1980's," keynote address for Minnesota Joint Computer Conference, March 1984; "Sharing the Information Resource," keynote address for Honeywell's Annual MIS Managers Meeting; "Advanced Systems Development Techniques," *Data Management*, February 1984.

## Visiting Faculty

**David Estenson**, assistant professor of industrial relations, will be a visiting faculty member in the Industrial Relations Department beginning fall 1984 for one year.

**Andre Flory**, computer science professor, visited the Management Sciences Department from Universite Jean Moulin Lyon III in France, teaching and doing research in database systems spring quarter 1984.

**Fumimasa Hamada** and **Michikira Ohyama**, visiting professors of economics from Keio University in Tokyo, Japan, conducted research during spring quarter 1984.

**J. Morgan White** served as the Coopers & Lybrand Visiting Professor in Taxation during spring quarter 1984. He is a member of the faculty of Brigham Young University and taught the following tax courses in the Master of Business Taxation program: "Tax Applications on the Microcomputer," and "Tax Planning for Families and Organizations."

**C. Arthur Williams**, Minnesota Insurance Industries Professor, visited Keio University in Tokyo, Japan, to study workers' compensation, government regulation of property and liability insurance rates, and risk management, spring 1984.

**Raymond E. Willis**, professor of strategic management and organization, visited and taught at Jean Moulin III in Lyon, France, spring 1984.

## Deceased

**Dr. Helen Canoyer**, former School of Management faculty member and 1925 alumna, died February 1984 in San Francisco. □

# Alumni Update

**Clifford Sommer**, '32, Minneapolis, has been active in a number of professional, community, and political activities.

**Edward C. Schleh**, '37, Atherton, Calif., recently published *How To Boost Your Return on Management* (McGraw-Hill 1984). The book presents ROM (return on management) as the logical step beyond ROI (return on investments) and ROA (return on assets). He received the Frederick Taylor Award from the National Society for the Advancement of Management in recognition of his outstanding contributions to the field.

**Carol Heising Drescher**, '37, is living in Los Osos, Calif.

**Harley Royal Buckman**, '43, is president, H.R. Buckman CLU & Associates Inc., in Glendale, Wis.

**Paul R. Inman**, '45, retired as treasurer of Gunthrop Warren Printing Company, Chicago, and now lives in San Diego, Calif.

**Robert D. Strathy**, '47, is retired and living in Fort Myers, Fla. He spends the summers in northern Wisconsin.

**Theodore S. Hanson**, '47, is a self-employed CPA in St. Louis Park, Minn.

**Betty Wood Stein**, '48, is secretary to the conference minister and office coordinator for the Minnesota Conference of the United Church of Christ in Minneapolis. She passed the CPS exam in 1980.

**Stuart A. Anderson**, '52, is business development director, 3M, St. Paul, Minn.

**Fred W. Bassinger**, '54, partner-in-charge of the Minnesota offices of Deloitte Haskins and Sells, has been awarded the 1984 Public Service Award by the Minnesota Society of Certified Public Accountants for his outstanding record of community service. His public services include chairing the Governor's Task Force on Minnesota Income Tax Simplification; serving as the 1983 commodore for the Minneapolis Aquatennial; participating in the Minnesota Council for Economic Education; serving as president of the Minnesota Chapter of the Association for Corporate Growth; and serving on the School of Management's Accounting Department Advisory Council.

**Robert F. Schmitt**, '56, '57MAIR, is vice president, human resources, General Battery Corp., Reading, Penn. He has been admitted to the bars of Minnesota, California, Illinois, and Pennsylvania, having received his J.D. from William Mitchell College of Law in 1963.

**Paul Robert Westgard**, '59, is with Advanced Semiconductor Materials in Phoenix, Ariz.

**Gopal Ji**, '61MS, is executive director of Engineering Projects (India) Ltd., New Delhi. He's had a distinguished career as chief executive of the Iraq operations of the company and was selected from the developing countries by the United Nations for export promotion within developing countries.

**John L. Maginn**, '62MS, is with Mutual of Omaha in Omaha, Neb. He was co-editor of *Managing Investment Portfolios* published by Warren Gorham and Lamont, 1983, under the auspices of the Institute of Chartered Financial Analysts.

**Robert J. Moeller** '62, 'MBA, Chaska, Minn. has been promoted to executive vice president of the Toro Company. In his new position he will provide leadership and support for Toro's irrigation and international divisions and will lend and coordinate the company's long-range strategic planning effort. He is a member of the board of directors of the American Red Cross.

**James Robert Campbell**, '64, is with Norwest Corporation in Omaha, Neb.

**David G. Cook**, '64, is president and CEO, Stearns Manufacturing Co., St. Cloud, Minn.

**Arthur A. Anderson**, '64, is first vice president, Piper, Jaffray, and Hopwood, in Rochester, Minn.

**Charles L. Squires**, '65, is vice president, Robert Half of Minnesota. He is current president of the Minneapolis Viking Chapter of the National Association of Accountants, which has 525 members.

**Ronald B. Benson**, '66, '68MAIR, is director, compensation and benefits, United Technologies - Automotive, in Dearborn, Mich.

**James W. Torseth**, '67, is president of Press On Inc., Stillwater, Minn., a diversified manufacturer of decorative graphics for automobiles and industrial products, membrane switches, and limited edition porcelain collectibles.

**John F. White**, '68, is traffic manager, E.L. Murphy Trucking Company in Eagan, Minn.

**Morris E. Petersen**, '71MAIR, is resident officer of N.L.R.B. in Des Moines, Iowa.

**Fred E. Kickertz**, '71, is with Loram Maintenance of Way, Hamel, Minn.

**James W. McCorville**, '72MBA, is 3M's engineering systems manager in Brookings, S.D. He's also been elected treasurer of South Dakota Friends of Public Broadcasting Inc. and is a member of the advisory board for the SDSU School of Engineering.

**Roger L. Quigg**, '73, is account executive with Sperry in Wormleysburg, Pa.

**Didier Gerard Etienne**, '73MBA, is with Credit Lyonnais, Paris, France.

**Charles H. Meyer**, '74, was admitted as partner, Oppenheimer Law Firm in Minneapolis.

**Arnt Magne Jatog**, '74MBA, Oslo, Norway, is with Tandberg Ltd.

**Stephen M. Carr**, '75, is lieutenant commander, U.S. Navy, Monterey, Calif. He recently completed a 30-month tour as supply officer on board the USS Lynde McCormick, and is currently working on a master's in computer systems management at the U.S. Naval Postgraduate School in Monterey.

**Kay Barber**, '75MBA, is group marketing manager, new products refrigerated foods, The Pillsbury Company, Minneapolis.

**Joel Erlandson**, '75, is director of accounting, University of Minnesota Hospitals, Minneapolis.

**Thomas W. Radosevich**, '75, is with the Continental Connector Corp., Woodside, N.Y., and lives in Minneapolis.

**Roger Rolfe Schaeffer**, '76MBA, is vice president, First Trust St. Paul, Minn., responsible for marketing employee benefit trust services.

**Geoffrey W. Stellmacher**, '76, is assistant vice president, FBS Mortgage Corp., Minneapolis.

**Kevin M. Sullivan**, '76, is a staff accountant, Alexander Grant and Company, Minneapolis. He is a member of the Optimist Club of St. Paul, Minn.

**Michael P. Harriethal**, '76, is with Hamilton Associates, Minneapolis.

**Frank J. Madden**, '77MAIR, is partner, Heuer Madden and Gruesner, Attorneys at Law, Minneapolis. He was elected chairman of Labor Law and Employment Law Section of the Minnesota Bar Association.

**Richard T. Kitoski**, '77, is treasurer-controller, North Central Wool Marketing Corp., Minneapolis.

**Donald L. Ericson**, '77, is a systems engineer, IBM, in Milwaukee, Wis.

**Mansour Javidan**, '77MBA, '83Ph.D., is assistant professor, Faculty of Business Law, University of Alberta, Edmonton, Canada.

**Stephen O'Malley**, '78, is branch manager and bank officer, First Bank Grand, St. Paul, Minn.

**Catherine A. Griner**, '78, is EDP auditor senior, Valley National Bank, Phoenix, Ariz. She was made a corporate officer of the bank in August 1983.

**Daniel Walter Latham**, '78MBA, is a patent attorney, The Quaker Oats Company, Chicago, Ill.

**Kathryn M. Kienholz**, '79, is audit manager, securities operations, Inter-Regional Financial Group Inc., Minneapolis.

**Wilbert Wang-Chun Lai**, '72MBA, Toronto, Ontario, Canada, is district comptroller, General Bakeries Ltd.

**Sandra Krebs Hirsch**, '78MAIR, is consultant, Sandra Hirsch Consulting Services, Minneapolis. She is writing her first book: *The Myers-Briggs Type Indicator A: A Sourcebook*.

**John Patrick Baxter**, '77, '79MAIR, is labor relations supervisor, Erie Mining Company, Hoyt Lakes, Minn.

**Robert Scott Hovelson**, '80, is tax coordinator, Dyco Petroleum in Dyco's accounting department in Minneapolis.

**Scott Lee Becker**, '80MBA, is a financial analyst in corporate growth, General Mills Inc., Minneapolis. He will graduate from William Mitchell College of Law in December 1984.

**Gerald M. Hersman**, '80, is with the Dain Corporation in Minneapolis.

**Richard J. Schwab**, '81MBA, is with National Computer Systems Inc. in Minneapolis.

**Debra S. Glassman**, '82, is a CPA with Sands, Wenberg and Company, Minneapolis.

**Brian Lee Holcomb**, '81MBA, is in the corporate finance department, Piper, Jaffray and Hopwood, Minneapolis. He is working primarily on mergers, acquisitions, and public offerings.

**Julie Erickson Heupel**, '81, is marketing officer with Norwest Corporation in Minneapolis.

**Mary Kay Jones Zacchini**, '81, is with Gannett Industries, Reno, Nev.

**John White**, '81MBA, is assistant secretary and assistant controller, E.W. Blanche Company, Bloomington, Minn.

**Kathleen Moseman Rosenow**, '81, is a marketing writer, Emulex Corporation, Costa Mesa, Calif.

**Brad E. Wucherpfenning**, '81MBA, is manager, international accounting, McQuay Inc., Plymouth, Minn.

**Steven A. Berch**, '81MBA, is data center manager of the disk memory division, Hewlett-Packard, Boise, Idaho.

**Steven R. Schuster**, '82, is supervisor, cash systems administration, Apache Corp., Minneapolis.

**Michael J. Buysse**, '82MBA, is president, Tower Investments Inc., a real estate investment syndication, Wayzata, Minn.

**Howard A. Warsett**, '82, is a tax accountant with Arthur Young and Company, Minneapolis.

**Kenneth James Nelson**, '82, is director of operations, Great Luggage Inc., Maplewood, Minn.

**Steven J. Helgen**, '82MBA, is supervisor, financial services section, planning and analysis division, First Bank Minneapolis.

**James B. Hare**, '83, is an auditor with Touche Ross and Company, Minneapolis.

**Mitchell A. Gleeman**, '83, is a staff accountant, Goldfein, Silverman and Olson Ltd., Minneapolis.

**Robert L. Hoops**, '83MBA, is a senior project administrator, Honeywell Inc., Hopkins, Minn.

**Amy Greenstein**, '83, is program coordinator, Advertising Audit Bureau, Minneapolis. □

## What's New?

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

## Attention MBA Alumni

**Did You Finish Your Plan B? (And receive your MBA degree?):** If the answers to these questions are “no,” you are not alone! In conjunction with the revision of the MBA curriculum, some MBA program alumni are finishing their Plan B’s (and subsequently receiving their degrees) within the context of courses offered in the School of Management graduate program. For information on completing a Plan B and the MBA degree, please contact Alison Skoberg, School of Management Graduate Studies Office, (612) 373-5505.

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

In the future, a formal and all-inclusive alumni directory will be published, but in the meantime, MBA alumni are invited to submit information for inclusion in the Mini-Directory. To do so, forward name, year of graduation, company and position, business address and phone number, and home address and phone number to: Gretchen Roufs, Director, Alumni Relations, School of Management, University of Minnesota, 271 19th Ave. S., Minneapolis, MN 55455.

All inclusions must be voluntarily submitted by each individual, and alumni need to specifically indicate that they wish to be included in the Mini-Directory. Distribution of the directory is limited to the people who are listed in it, and it may not be used for commercial purposes.

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

## FMC gives school contribution

FMC Corporation, Northern Ordnance Division, recently contributed \$20,000 to the University of Minnesota. Checks for \$10,000 each were given to the University’s School of Management and Institute of Technology. Many of the Fridley’s company’s 3,900 employees are graduates of these two departments of the University of Minnesota. □



*Photo by Tim Rummelhoff*

Daniel F. May

### **BREAKFAST** from page 17

“Economic Trends for Business in Minnesota and the U.S.— Implications for Organizational Policy,” and “Strategic Planning in the Human Resource.” Some of the Breakfast speakers included: President of Republic Airlines, Daniel May; Director and Chairperson of the HHH Institute of Public Affairs, Harlan Cleveland; Futurist and President of Anticipatory Sciences, Earl C. Joseph; and Vice President of Human Resources of Abbott-Northwestern Hospital, Clarence Harris.

The continental breakfast sessions are from 7:30 to 9 a.m. Fridays. The cost is \$7 per session, with advance payment and registration required. Brochures detailing future sessions and other information are available by contacting: Employer Education Service, Industrial Relations Center, 423 Management & Economics Bldg., University of Minnesota, 271 19th Ave. South, Minneapolis, MN 55455 (612) 373-5391. □

## Double or triple your gift to the School of Management

More than 900 companies match employees contributions to colleges and universities, and many firms extend this benefit to retired employees, board members, and spouses. Some companies match donations on a two-for-one or three-for-one basis. Please check with your personnel office to see if your company has a matching gift program. If it does, your gift to the School of Management can be doubled or tripled. Just send your company’s matching gift form to the School and your gift will go so much further! For more information, contact Gretchen Roufs, School of Management, director, Alumni Relations, at (612) 376-3217.

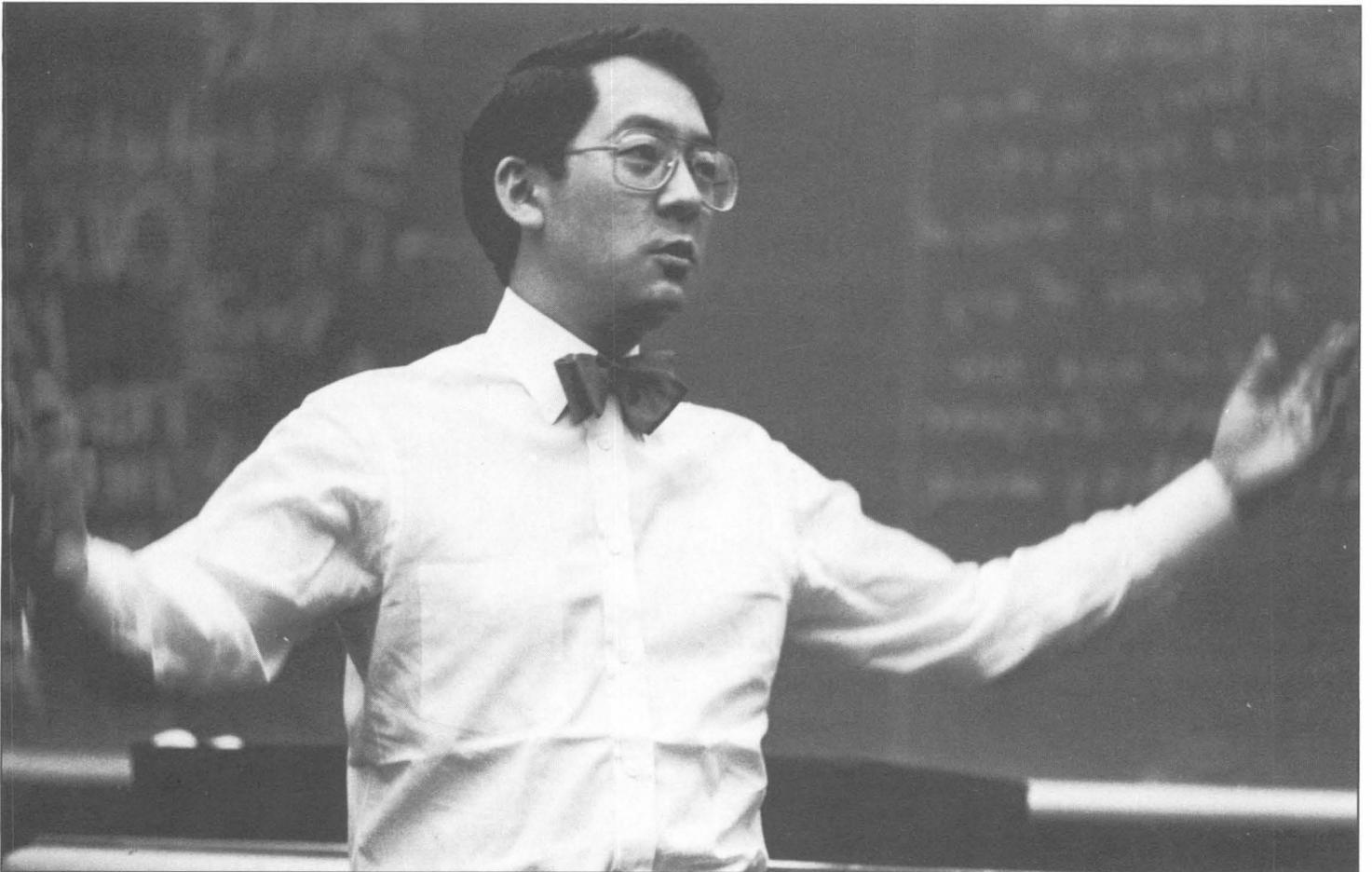


Photo by Tim Rummelhoff

## Theory Z

William Ouchi, author of Theory Z, shared some thoughts at a School of Management strategic management colloquium.

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## ALUMNI UPDATE

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

Name \_\_\_\_\_ Date \_\_\_\_\_  
(First) (Middle or Maiden) (Last)

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

Employer \_\_\_\_\_ Home \_\_\_\_\_  
Position Mailing Address

\_\_\_\_\_  
Company Organization City, State, Zip

\_\_\_\_\_  
Mailing Address Phone

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Phone

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

# Executive Development Center programs

## I. GENERAL MANAGEMENT RESIDENTIAL PROGRAMS

- Minnesota Executive Program**  
(6 weeks)  
Modular format; begins in September 1984
- Minnesota Management Institute**  
(4 weeks)  
Modular format; begins February, 1985
- Minnesota Management Academy**  
(9 days)  
Begins June 16, 1984 and March 23, 1985

## II. MANAGEMENT SPECIALIST PROGRAMS

- Seminars for the Systems Analyst**  
(5 days)  
Residential program; four times a year  
Upcoming session—October 21-26, 1984

- Strategic Management of Manufacturing** (7 days)  
Residential program; once a year  
Upcoming session June 10-16, 1984 and May 5-10, 1985
- Sales Force Management** (5 days)  
Residential program; once a year  
Upcoming session—April 15-20, 1984
- Controllership Academy** (6 days)  
Residential program; once a year  
Upcoming session—April 21-27, 1985
- MIS Executive Institute** (8 days)  
Residential program; once a year  
Upcoming session—June 23-29, 1985

## III. GENERAL MANAGEMENT SEMINARS

- Finance for the Non-Financial Manager**  
Mpls./St. Paul location; four times a year  
Upcoming sessions—September 12-14, 1984 and December 5-7, 1984

- Marketing for the Non-Marketing Manager**  
Mpls./St. Paul location; four times a year  
Upcoming sessions—September 12-14, 1984 and December 5-7, 1984
- Accounting for the Non-Accounting Manager**  
Mpls./St. Paul location; four times a year  
Upcoming sessions—September 17-19, 1984 and December 5-7, 1984
- Computers and Information Systems for the Non-Information Systems Manager**  
Mpls./St. Paul location; four times a year  
Upcoming sessions—September 26-28, 1984 and December 5-7, 1984

## Information Request Form

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

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

NAME \_\_\_\_\_ TITLE \_\_\_\_\_ ORGANIZATION \_\_\_\_\_

STREET \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_ COMPANY PHONE ( ) \_\_\_\_\_

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

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# Minnesota

# Management Review

November 1984

School of Management, University of Minnesota  Volume 4, Number 1

## Peters' Gift: Funds launch Dean's Innovation Fund

Last Summer, Tom Peters, co-author of *In Search of Excellence*, gave \$2,500 to Dean Preston Townley as a gift to the School of Management.

Townley used the Peters' gift to launch the "Dean's Innovation Fund." The fund supports new initiatives in faculty research, teaching and program development that help create and sustain a close working relationship with the management community.

The gift symbolized Peters' recognition of the School for its innovative interaction with the management community and the resultant move toward excellence in management education. Peters has been critical of most business schools. He describes them as inward-looking and elitist, emphasizing analytical techniques over "plant floor" experiences.

Peters made particular reference to the Strategic Management Research Center's Colloquium series in noting what he saw as a different tendency at Minnesota. "In my forays at the University of Minnesota business school, I've found that members of the business community sit shoulder-to-shoulder with faculty members," Peters said.



*In Search of Excellence* co-author Tom Peters' \$2,500 gift symbolizes his recognition of the School for excellence in management education.

He went on to applaud the Twin Cities as an area that sees more interaction between the business and academic communities than most areas. He did not find similar activity at the major business schools. He added that the kind of innovation being seen here is not unlike industry where successful innovations often come from emerging leaders.

"I've established the Dean's Innovation Fund because I am committed to the kind of innovation that stems from the business/education partnership," Townley said. "I am encouraging faculty to explore new education and research ventures with business practitioners. The Dean's Innovation Fund should provide seed money to launch innovative programs leading to excellence in management." □

### Grant to support international efforts

The School of Management recently received a matching grant of \$75,000 from the U.S. Department of Education to support the development of international case studies.

The School's goal is to include international components throughout its educational programs—undergraduate, graduate and executive education. The International Case Study Project (ICSP) will result in eight case studies dealing with broad aspects of international trade of goods and services in terms of the ability of the U.S. to compete in foreign markets.

Robert J. Holloway, professor of strategic management and organization/marketing, will direct the project scheduled to be completed by August, 1985. Faculty advisors include Jack Gray, professor of accounting; Delbert Hastings, professor of strategic management and organization; Timothy Nantell, professor of finance; Howard Strauss, director of Senior Executive Fellows program; and James Scoville, professor of industrial relations. □

# Dean's Message

## *Preston Townley, Dean*

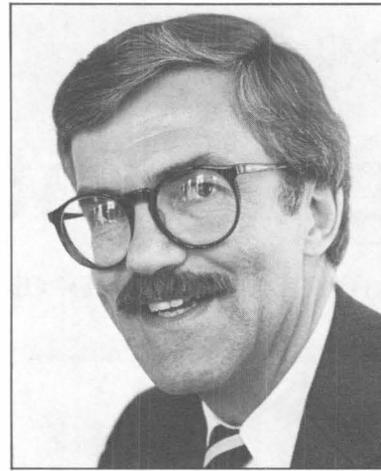
My first five months as Dean of the School of Management have proved busy, challenging and exciting.

Former Deans David Lilly and Ed Foster oversaw impressive growth for the School. My challenge is to sustain the momentum they so ably set in motion. Recent efforts have markedly strengthened the School. But there is much to be done. **We are good. We have to be better!**

Planning is a key part of developing strategies for improving quality. I've set planning as a major priority for the School. As you read this, we will be finishing a complete update of our long-range plan. A permanent Planning Committee is analyzing the environment in which we operate, evaluating the School's position, resolving issues that affect the management organizations we serve and outlining an overall financial plan.

The planning process may sound old hat to many in commercial enterprise. But some of the basic considerations for the School are no different from those evaluated in other operations. We're approaching planning from a practical, serious and meaningful stance. Our plan will not be an overwhelming, difficult-to-apply document. Rather, we're looking for a framework that will serve as a clear, concise reference piece for answering fundamental questions about the School.

To develop the best possible plan, we are taking a major inventory of our strengths and weaknesses. The committee is examining great volumes of data, looking critically at our mission, clients and priorities. We're questioning deeply what constituents we serve, products we deliver, product and service priorities and different methods of allocating our resources.



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*Preston Townley*

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We're reviewing our environment, including demographics, the economy, political/community support and technology. We're analyzing competitive programs and exploring comparative factors such as admission test scores, student grade point averages, work experiences, pre- and post-program employment, tuition charges, etc.

Planning Committee membership includes the associate dean, two department chairs and two program directors. But, rather than a "Dean's Plan," this document will reflect School-wide concerns and interests. Faculty involvement has been and will be encouraged throughout the process.

Our overall objective is a short, clear document that can be referred to over time to provide the School strong, solid guidance. We will present Central Administration with a fundamental overview of where we're going, who we're serving and what we expect to do for them. □

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## IBM Planning Grant boosts full-scale computer proposal

Integrating full computer use and capability throughout its programs and activities is a major School of Management goal. Realizing that goal will mean additional hardware and funding.

The IBM Corp. has developed a support program for Education in the Management of Information Systems. They recently awarded the School a grant to prepare a proposal for one of the \$2 million grants they will award to 12 graduate schools of management. The School is one of 30 (from more than 200) awarded planning grants to compete for the 12 grants.

The objective of the IBM grant is to provide an incentive to graduate schools of business/management to expand and improve their instruction, faculty and research relating to the management of information systems in organizations.

They want to stimulate a select group of graduate schools to:  
1) analyze the impact information systems can have on organizations; and 2) develop curricula to meet the demands of that impact. The long-range goal is to have these schools: 1) provide

national leadership for graduate business education; and 2) improve the knowledge that management has on the role of information systems in the organizational and technological environments in the next decade.

The School's proposal will call for \$1 million in IBM equipment, IBM-owned software, and \$1 million for curriculum and revisions, three new faculty members and research development. The grant also calls for added University support and business involvement to provide additional faculty and facilities.

The final proposal is due in January. The committee drafting the proposal includes Tom Hoffmann, professor of management sciences and chairman, Gordon Davis, professor of management information systems and Gary Dickson, professor of management information system.

**IBM to page 5**

# Controversy and complexity abound

by Richard Arvey

Should jobs that are basically similar or identical on "compensatory factors" be equally paid?

Advocates argue that female-dominated jobs are underpaid compared to equal value male-dominated jobs measured through traditional evaluation procedures. Critics say it is impossible to measure job worth precisely.

Comparable worth is a complex and difficult question—and a major industrial relations issue. Significant policy issues are being made. Many technical issues are involved in implementing the concept. They must be carefully thought through. Comparable worth research is critical.

Wage adjustments based on comparable worth principles have been made by direct court orders. In *AFSCME vs the State of Washington*, the district court ordered wage adjustments based on comparable worth arguments. The State of Minnesota now requires wage adjustments for all governments and municipalities.

The Minnesota Legislature appropriated more than \$21 million for such wage equity adjustments. Other states and governments are voluntarily considering wage adjustments according to these principles.

Comparable worth and its interpretation will have far reaching cost impact.

Current implementation practices are typically as follows: A job evaluation plan and procedure is conducted. Job evaluation entails some method of "rating" jobs on a series of scales. The "point" plan is most typical. Jobs are rated on a number of compensatory factors such as the degree of effort expended and level of decision making involved. Each job is assigned a cumulative point value by adding across the scales. Total point values represent the job's worth.

Two subtle assumptions are often implied using typical point plans: 1) that jobs can be ranked using point values and that this ranking represents the rank order of jobs along a true job worth continuum; 2) that the job differences on the assigned point values reflect their differences in true job worth.

Subsequently, male- and female-dominated and sex-balanced jobs are identified. A relationship is established between point values and existing wage rates. Regression procedures are generally used. When regression lines are different between male- and female-dominated jobs, sex bias or discrimination is potentially indicated. A finding of differential regression lines indicates that discrepancies exist between male- and female-dominated jobs, where usually the female-dominated jobs equal in worth to male-dominated jobs are paid less.

However, criticisms and problems are associated with such job evaluation procedures and practices.

First, critics say that jobs are like apples and oranges. Job evaluation systems can't capture the true differences between the heterogeneity of jobs within an organization.

Second, it is suggested that the procedures are potentially subject

to sex bias because of inherently subjective procedures. The choice and weight of dimensions or compensatory factors may be influenced by sex bias. Job ratings may be influenced by existing wage rates.

Third, job evaluation points are not necessarily reliable because of the subjective nature of their derivation.

My current research is concerned with the last two points. Along with several graduate students, I am conducting two exciting studies.

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*"Comparable worth and its interpretation will have far reaching cost impact."*

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Our first study investigates whether job titles potentially affect the evaluation points assigned to jobs. We hypothesize that stereotypical male jobs (foreman) will be given higher ratings than stereotypical female jobs (director of nursing)—even when job contents are matched. We are developing job descriptions and matching the jobs. We will soon collect data from job evaluation committee members to test our hypothesis.

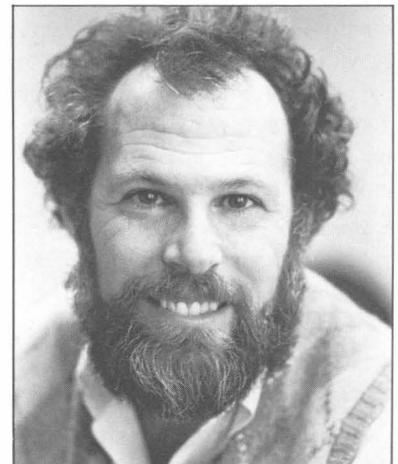
A second study investigates the actual impact that unreliable point values have in detecting sex bias. Our findings indicate that one could have a situation where sex bias is not indicated if our measurement of the true worth of jobs was perfect. However, if the available job evaluation values are unreliable, the results will reveal sex bias in the compensation system—even when, in actuality, no sex bias exists.

The implications of these findings are potentially dramatic for employers and employees. I would be happy to share my research findings with anyone interested. You can reach me at (612) 373-5392. □

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Richard Arvey

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# Financial Planning:

## *Managing finances to fit your lifestyle*

by Andrew Whitman

Not everyone is a financial planner. It just seems like it!

Some 200,000 people call themselves financial planners. They include attorneys, stock brokers, insurance agents and bankers. No specific license is required. Anyone can hang a shingle.

Personal financial planning is managing finances to fit your lifestyle. It involves three basic steps: 1) determining your current financial position; 2) setting goals and priorities; and 3) pursuing means of achieving your goals.

For example, your current position is based on a statement of assets, liabilities and net worth, statement of current income and expenditures, and projection of income and expenditures.

Your goals and priorities are listed by timing and dollar amounts. A first priority is financial protection against disability, medical expenses, liability, death and property loss. You should also look at funding for such things as college, vacations, new housing and retirement.

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*“The ideal financial planner is a physician who can heal an ailing pocketbook, prescribe a regimen to nurture assets and monitor fiscal fitness with regular checkups.”*

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The means of achieving your goals include budgeting, tax management, investing and estate planning.

Professional financial planners can help you create and manage your financial program. A July 11, 1983 *Wall Street Journal* article says, “Practitioners say they can sort out your assets and your aspirations and weave into a single, sweeping plan the often conflicting advice from specialists, such as insurance salesmen, stockbrokers, lawyers, and accountants.”

The ideal financial planner is a financial physician who can heal an ailing pocketbook, prescribe a regimen to nurture assets and monitor fiscal fitness with regular checkups. Impeccable objectivity with no incentive to sell you anything is a must. A good financial planner has knowledge of accounting, banking, family and business law, insurance, real estate, employee benefits, investments, taxes, psychology, and experience in resolving your problems—all at a reasonable cost!

A March 1984 *Money Magazine* article suggests you select financial planners on the basis of credentials, compensation, content and commitment.

Credentials are, of course, a measure of experience and reliability. Licensing includes CPA, attorney, registered representative, registered investment advisor, insurance or real estate agent.

Two professional designations indicate commitment and some knowledge of required areas.

A Certified Financial Planner (CFP) takes courses on financial planning, insurance, investments, tax planning, employee benefits, retirement and estate planning. A Chartered Financial Consultant (ChFC) also takes a series of tests to qualify.

Planners' compensation includes fees, commissions or both, ranging from \$150 to \$5,000. A preliminary interview is usually free. Ask how much commission a financial planner makes on a product sale. Check for concealed conflicts of interest. Results are more important than the method of compensation.

Plan contents should be clear, concise and organized around your goals. Check assumptions such as inflation, interest and investment rates of return and your risk tolerance.

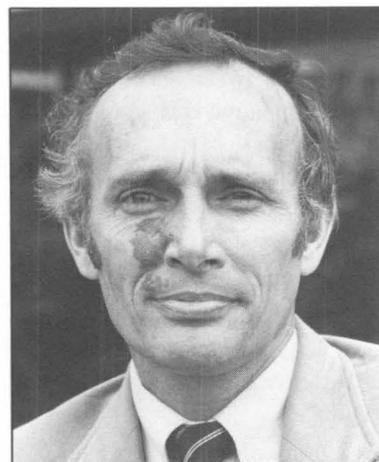
Check the commitment level the financial planner will provide. How much time will be spent with you? Who will write your financial plans? Two hours to gather information and two hours to explain your plan should be scheduled. Allow time to consider product-free alternatives. What support can the planner derive from other professionals?

Obtain references from clients or professionals, as well as sample financial plans.

Financial planning is an increasingly complex and dynamic field. You may want to learn more about personal financial management to establish your own plan. The School of Management offers seminars on the topic. Check the Extension Bulletin, pages 290 and 519, or call (612) 373-5166. The six courses leading to the CFP and ChFC designations are also offered.

*Having problems finding a CFP? Call or write the Institute of Certified Financial Planners, 3443 S. Galena St., Suite 190, Denver, Colo. 80231, (303) 751-7600, or International Association for Financial Planning, 5775 Peachtree Dunwoody Rd., N.E., Suite 120-C, Atlanta, Ga. 30342, (404) 252-9600. The 2,500 CFP members must take 30 hours of continuing education annually. Those in the registry must have three years of full-time financial planning experience and a CPA, CFP, ChFC or other such designation proving study. □*

Andrew Whitman is professor of finance and insurance at the University of Minnesota School of Management.



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Andrew Whitman

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## IBM from page 2

The School of Management has long been a major force in education and research in management information systems (MIS). MIS faculty work at the University of Minnesota has had a worldwide influence. There has been a "Minnesota Multiplier Effect," in which innovations and research begun at Minnesota have affected information systems education and research throughout the world. This has occurred through Minnesota textbooks, Ph.D.s, conferences, journal articles, faculty visits and visiting faculty.

"However, technological advancements in information processing and telecommunications are presenting more and more challenge and opportunities to managers in their use of information resources," said committee member Davis. Information systems are no longer remotely controlled resources. Managers and their staffs can develop and manage their own information applications. At the same time, there are organization-wide facilities and data resources.

Looking toward the future, we have observed major changes in information technology, Davis said. "Securing an IBM grant would allow the School to retain its historical position of leadership by improving its curriculum and adding to the hardware and software that support instruction and research," he added.

The committee identified three issues with respect to management of information systems in the new technology environment: making the general manager user effective in the new information system environment, responding to a new information system orientation, and managing information systems resources.

"Addressing these issues requires broad changes in School of Management curriculum," the committee concluded. □

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## Ph.D. Program

# Alive, well and growing

by Paul E. Johnson

Most individuals in the business community have a fairly accurate notion of what the School of Management's MBA and undergraduate programs are like. But perhaps much less is known about the Ph.D. program. This is partly due to the fact that virtually all undergraduates and MBA students enter the local work force, whereas by its very nature, the Ph.D. program has a lower profile, stressing more individualized programs and a national as well as a regional marketplace.

The Ph.D. program is alive and well. Not only are we healthy, but we are getting better all the time. This is not to say that there are not places where we could improve. But simply that we have been making great strides toward fulfilling our objective of becoming one of the best programs in the country.

In describing the School of Management's Ph.D. program, I will divide my remarks into three parts: input, resources, and output.

On the input side, we have made truly remarkable progress. From an average Graduate Management Admission Test (GMAT) score

of 588 (86th percentile) and an undergraduate grade point average (GPA) of 3.13 for students entering in 1980, we have moved to a GMAT of 633 (94th percentile) and an undergraduate GPA of 3.43 for the entering class of 1984. Based upon a recent report comparing Ph.D. programs in terms of quality of student input, we ranked eighth.

We are also becoming more national (and, indeed, international) in our recruiting. In the past we tended to recruit heavily from our own geographic area and MBA program. Our recent entering class of 34 students represents 11 states and five foreign countries. While I never like to lose students to other schools, I can say, with some satisfaction, that when we lost a student last spring to a competitor, it was to MIT, Wharton, Illinois, or Stanford. On the input side, we are strong.

On the resource side, our principal need is money for student support. Here, again, we have made important progress—one reason why we did so well recruiting last spring. From about \$20,000

Ph.D. to page 6

Ph.D. from page 5

distributed to entering students before 1980, we have moved to approximately \$100,000 distributed to the entering class of 1984. These funds came from corporate fellowships, the School of Management, the Graduate School, and faculty research grants.

Despite the increase, however, we are barely holding our own. In many cases our students still take too long to finish. Or, in some cases, they don't finish at all, because they need to work at unrelated activities to support themselves. Our relatively high tuition is still a problem. It is particularly difficult for students in their thesis year when what they do has a marked influence upon their subsequent career path.

In addition to money, the resources of any strong Ph.D. program consist of its faculty and the research experiences they offer students. On this score we are also showing marked improvement. The School of Management is currently either directing or participating in a number of significant research projects, including major ones in innovation and intelligent systems. One benefit of this increased research emphasis is the opportunity and funding it provides for training students. A second benefit is the opportunity it provides for finding general solutions to major management and technical problems, including those that plague our local industrial community.

Under the heading of resources I also place curriculum. In addition to the direct participation in research with the faculty, students must have seminars and other coursework devoted to the kind of knowledge and inquiry that will enable them to become truly outstanding scientists and scholars. I am pleased to report this year that each of our major departments now has in place a curriculum for Ph.D. students that is more than just an extension of the MBA program.

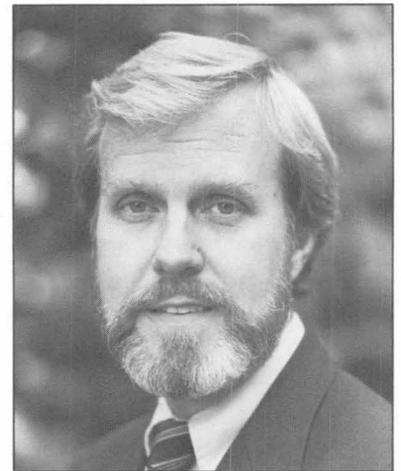
Finally, we come to output. Our first priority is to place students in the top management schools in the country. This past year 42 percent of our graduates (five of 12 individuals) took jobs in ma-

ior schools of business and management, including Carnegie-Mellon University and the University of Michigan. As the quality and amount of research in our program increases, and as we provide more resources for training, the quality and competitiveness of our graduates will continue to increase.

The Ph.D. student in management and business administration is an investment and a valuable commodity for the practitioner community as well as for the academic community. Because their training is focused upon formulating and solving difficult and challenging problems, their skills are a scarce resource. Because they work in a professional school, these skills are tuned to the kinds of problems found in business and society today.

I trust that all supporters of the School of Management believe, as I do, that such an investment is not only worthwhile, but, indeed, essential. □

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



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Paul E. Johnson

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# Marketing

## *Implementation links strategy and performance*

During the 1970s, American business underwent a strategic planning revolution. Businesses, large and small, began the arduous task of analyzing their products, customers, and competitors and developing strategic plans to improve operating results. Planning offered, for the first time, a systematic means of analyzing the economic and competitive prospects for corporate operations and charting a long-term course of action. But like other management fads which promise a simple path to success, current strategic planning is under attack.

A recent *Business Week* article graphically demonstrated why American business is re-thinking its commitment to strategic planning. Of 33 business strategies described in that weekly magazine between 1979 and 1980, only 14 could be classified successful while 19 clearly had failed. Thus, American managers have come to realize that strategic planning alone cannot lead

business down the road to success. The culprit, it seems, lies within American business.

Top management is beginning to realize that effective planning is not enough. Often, the most appropriate strategies created by hundred of managers and professional planning staffs never affect the daily actions of the people assigned to carry them out. Or, if such plans are taken seriously, lower level managers find that they have neither the resources nor expertise to successfully implement the recommended course of action.

School of Management researchers have been working over the past three years to understand marketing's role in the development and successful implementation of business unit strategy. Professors Orville Walker, Robert Ruckert and Kathy Gardner focused

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## Marketing from page 6

their research on understanding how an organization's structure, processes and policies hinder or enhance the success of its strategic plans and marketing operations. They hope to find the key organizational requirements necessary to successfully implement various strategies.

## Generic business unit strategies

While every business unit's strategy is somewhat unique, growing evidence suggests that such strategies can be classified into a few "generic" types. One popular classification scheme groups strategies into four broad categories based on the business unit's overall strategic thrust relative to industry competitors. These four strategic types are prospector, defender, analyzer and reactor strategies.

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*"Top management is beginning to realize that effective planning is not enough."*

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The prospector strategy involves a commitment to stimulating and meeting new product opportunities. Business units using this strategy consistently attempt to be the "first mover" in new product and market areas, even if some of their efforts fail. A prospector strategy is particularly appropriate for business units competing in broad product-markets with unstable environments where technology, competition and customer needs are rapidly changing.

Defenders attempt to locate and maintain secure positions in relatively stable product or service areas. Business units employing this strategy tend to compete in a limited range of product-markets. They try to protect their positions by offering lower prices, higher quality or better service than competitors. Such businesses are rarely at the forefront of new product development. They tend to ignore changes not directly tied to their area of operation.

An analyzer strategy is an intermediate type falling somewhere between prospector and defender strategies. Analyzers tend to make fewer and slower product changes than prospectors, but are less committed to stability and efficiency than defenders. Business units using this strategy attempt to maintain stable, limited product lines while carefully pursuing promising new product developments in their industries. They are seldom first in new product markets but are often fast followers. They usually offer a more cost efficient or higher quality product.

Finally, business units following a reactor strategy lack any well-designed competitive strategy. Such businesses do not have a consistent product or market orientation. They are less willing to assume the risks of new product development than competitors. They are less aggressive in marketing their products and respond primarily when forced by environmental pressures.

Each of these four strategies has its strengths and weaknesses in terms of the level and kind of performance that should result from effective implementation. For example, the prospector strategy is likely to grow rapidly in market share and new product development. It does less well on return on investment and cash flow. The

big question is what is the role of marketing under each of these different strategies?

## Factors affecting the implementation of business unit marketing strategies

Stark differences exist between these four generic strategies. It becomes apparent that the implementation of each strategy requires different organizational structures, policies, processes and programs within marketing in order to maximize both marketing performance and the performance of the business unit as a whole. Four broad groups of influences are likely to strongly affect successful implementation of different strategies.

The first set of influences is the relationship between the business unit and corporate structures and processes. For example, the amount of autonomy that is given to the business unit in carrying out its strategic mission should be greater for business units employing a prospector strategy than those employing other strategies.

A second set of influences reflects how the marketing function integrates with other functional areas such as production, research and development, and finance within the business unit. In business units employing a defender strategy based on low cost for production efficiencies, marketing's role should be less important than in a prospector strategy relying heavily on new product development.

The third group of variables which are important to successful implementation represent the organizational structures and policies used within the marketing function. Included are the specific product, pricing, promotion and distribution strategies used by the business unit, as well as the organizational structures used to implement these functional strategies. A product management system, for example, may be very useful to business units following a prospector strategy but detrimental to one following a defender strategy.

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*"Four broad groups of influences are likely to strongly affect successful implementation of different strategies."*

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The fourth set of influences which impact marketing implementation are the skills and backgrounds of the individuals assigned to carry out the generic strategy. Recent research shows that certain managers are much more successful in dealing with the challenges posed by certain strategies than others. Thus, it appears reasonable to assume that marketers assigned the task of developing a multitude of new products must possess different skills and personalities than their counterparts assigned the task of product elimination.

Marketing to page 8

## The Research Program

Researchers hope to determine the effects of these four broad sets of factors on the successful implementation of generic business strategies. Professors Walker, Ruckert and Gardner are working with the Marketing Science Institute examining successful and unsuccessful business units which use prospector and defender strategies. The research team wants to obtain cooperation from 60 different business units across the country to explore these issues in a real world setting. The researchers have already conducted a pilot study of a major Twin Cities based corporation which demonstrated the feasibility of the research and has provided meaningful results to the managers involved.

Members of the research team will be happy to discuss participation with any organization that has business units or divisions pur-

suing prospector or defender strategies. Participation would involve a personal interview with the business unit manager, limited access to the unit's sales and accounting records, completion of a brief questionnaire [maximum of one hour for completion] by a sample of the unit's marketing and other functional managers, and a financial contribution to cover research costs. In return, each participating unit will receive a detailed report comparing its structures, processes and marketing programs with those of other units—successful and unsuccessful—with similar business strategies. More generally, the comprehensive and wide-ranging nature of this research will provide participating organizations an in-depth view of how each business unit is implementing its marketing strategy. It will also show differences between defender and prospector strategies in terms of the necessary marketing strategies and organization needed to implement each, and the critical differences between the more successful and less successful business units in terms of controllable managerial actions. □

## Career Fair '84 hosts 30+ companies

More than 30 companies were represented at Career Fair '84 in early October.

Career Fair is a gathering at the University of representatives from various local and national companies who inform business students about career opportunities in their organizations.

Meeting informally with representatives from business and industry enables students to gain valuable insights into the careers that have captured their interest.

Career Fair is sponsored by student members of the School's Business Board. As representatives of the undergraduate student body of the School of Management, these students organize and administer this special day for the benefit of business organiza-

tions and college students.

Business Board members reported that they were very pleased with the turnout and high level of traffic throughout the day at the third annual Career Fair. □



Photo by Tim Rummelhoff

Control Data Corp. and Burlington Northern Inc. were among the more than 30 companies represented at Career Fair '84.



# Sunder appointed to Honeywell Professorship

Accounting Professor Shyam Sunder was appointed to the Honeywell Professorship in Accounting by the School of Management in May.

The professorship promotes excellence in accounting teaching and research. It is funded by a \$125,000 grant from Honeywell Inc. through 1985. The professorship demonstrates the interdependency of the Accounting Department and business community.

"The Twin Cities business community has been exceptionally supportive of the School of Management," Shyam Sunder said. "This unique and very welcome appointment has allowed us to shift our research focus to management accounting," he added.

Traditionally, accounting chairs are funded by public accounting firms, Sunder explained. "While research is not dictated, it quite naturally follows financial reporting and auditing. This professorship provides more focus on industrial accounting," he added.

Andrew Bailey, Accounting Department Chairman, described Sunder as a valued colleague and clear-thinking source of energy and action in the Department and accounting world.

Sunder joined the Accounting Department in 1982. After receiving his Ph.D. from Carnegie-Mellon University, he joined the



From left to right, School of Management Dean Preston Townley, Honeywell representatives Dan McBride and Patricia Hoven congratulate Shyam Sunder on his appointment to the Honeywell Professorship.

University of Chicago faculty. His current research includes the economics of accounting, role of information in competitive markets and development of a mathematical theory of inflation accounting.

Sunder is a prolific writer with several award-winning publications. He holds the Gold Medal for Notable Contributions to Accounting Literature from the American Institute of CPAs and the American Accounting Association. He has consulted for various industrial firms, is a member of numerous professional associations, and serves on the editorial boards of two major accounting journals. □

## "Team of the Year" Josten's benefits from student input

Four students working with Josten's, Inc. were selected "Team of the Year" for The MBA 8065 Field Project Course.

With faculty advisor Professor William Rudelius, students Janice Hoppin, Suzanne Kort, LeRoy Sorenson and Jon Vasatka conducted a very successful market research study for the company. The team analyzed a new retail product decision.

The 8065 program is the capstone experience in the MBA program. Students put the theory and practice skills they've learned to work in a real-world management environment.

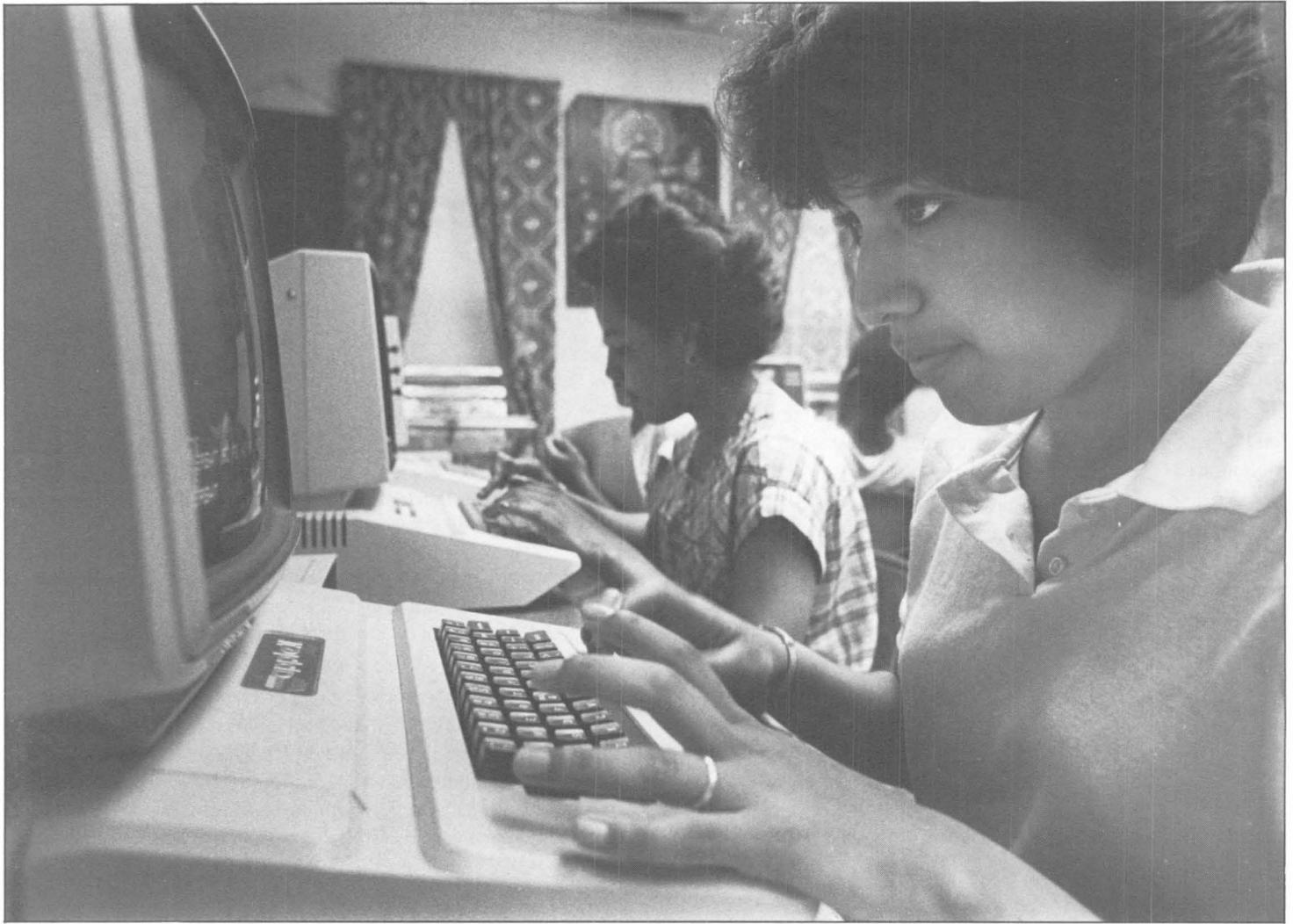
Each year faculty work with Twin Cities businesses to identify their problem descriptions. They pinpoint areas where analysis is needed. The company describes its operation, problem symptoms and key outputs it wants delivered if selected for a team.

Faculty select the appropriate companies. Four students comprise a team. They develop a specific proposal, work with the company, January through April, about 20 hours a week.

The program included 45 teams last year. The size and cooperation of the local business community makes so large scale a program possible. Company costs include out-of-pocket expenses and a sliding scale fee based on size.

Each MBA project advisor is encouraged to nominate one of each three-team section taught for Team of the Year. Eleven teams were nominated, with three selected top candidates. Teams are evaluated on the completeness of their problem definition, thoroughness of their analysis and degree to which the recommendations can be implemented.

All three finalists were good, but the Josten team's identification of issues and potential risks, as well as their recommendations clearly stood out, said Norm Chervany, director of Professional Management Programs. "The project was very thorough, the presentation excellent." □



Students absorbed in their work during the University's Summer Computer Camp for minorities.

*Photo by Tom Foley*

## Computer Camp provides hands-on experience

The teenagers leaned eagerly over their consoles. Most used their computers to draw complex geometric figures and exquisite designs. Although the graphics were not quite level with some movie special effects, they showed the degree of computer literacy that bright youngsters can achieve with a few days of expert guidance.

The youngsters participated in the University of Minnesota's first summer Computer Camp for minority students. The camp is part of the University Advance program (U Advance). It is a joint project of the School of Management and Institute of Technology. Most students had little exposure to computers before attending camp. They were quickly engrossed in the wonders of programming, computer graphics and word processing.

Twin Cities school principals and math, science and counseling department heads were asked to nominate up to 15 students. Camp Director/Pre-college Coordinator Al Lopez selected 50 nominees from each city. Sixty-six students—43 girls and 23 boys—enrolled.

Minneapolis students attended the week-long camp at North Community High School. St. Paul students attended Guadalupe Area Project. Each camp employed five junior high teachers experienced with minority students.

Each student had an Apple IIe. They spent one day working with each of four programs—Data Base, LOGO, Bank Street Writer and Master Chart. Students were doing basic programming after a week.

Lopez would like to see the camp continue. He describes the program's biggest advantage as giving the students computer confidence while teaching them about its abilities. The program costs considerably less than most computer camps, he adds.

Held in consecutive weeks in June, the camp ran weekdays, 9 a.m. to 4 p.m. An open house was held for parents, and students toured the School of Management. Everything, including transportation and lunch, was free to students.

All seemed to enjoy the camp, according to Minneapolis Franklin Jr. High School instructor Jeff Wynne. Some students wrote conversation programs where the computer asked questions and the operator answered. One Minneapolis student programmed a Michael Jackson trivia quiz.

The instructors were hard-pressed to pass that one!

# Scholarship: *Meeting the changing management environment*

by Norman L. Chervany

In April 1983, as the economy was starting to come out of its most severe recession in two decades, *Business Week* published a special report, "A New Era in Management." The article explored two basic forces affecting management—economics and technology.

The recession's length and severity had forced organizations to examine their cost structure more intensely and seriously than ever. Many middle management jobs did not contribute to the "bottom line," the article said. They were "collectors, analyzers, evaluators and transmitters" of data. All too infrequently were they "makers or sellers" of a product or service.

Meanwhile the micro-computer revolution was rapidly escalating. The power of the micro-computers was increasing at an exponential rate. The cost of this power was decreasing at about the same rate. It was becoming feasible to bring the power of the computer simultaneously to the front-line "sellers and producers" of the product and the upper levels of management.

These factors brought about a big question. Was the large layer of middle management (the "data/information handlers") as necessary and inevitable as conventional wisdom had always suggested? Major corporations began re-evaluating their organizational structures.

At Honeywell, Inc., 1,371 staff, including many middle managers, were laid off. "There are two ways of managing," said Honeywell's Vice Chairman James Renier, "one requires a lot of useless staff. The other lets people do their jobs. If you've got a staff that is either trying to do the line job or has turned into a large group of scorekeepers, you had better get rid of that staff," he added.

These changes and criticisms posed new challenges to schools of management, their curriculum, faculty and students. Everyone who has thought about this has their favorite list. No one's list is complete or the best. But a study of these lists would probably reveal a strong consensus on the following challenges:

**How can we effectively meet foreign competition? How can we effectively compete in foreign markets?**

**How do we achieve the twin goals of increased quality and productivity?**

**How do we utilize the new technology in the factory? In the office?**

**How do we transform management from a procedure-centered activity to a people-centered activity?**

**How do we accommodate the sometimes conflicting goals of return on investors' equity and social responsibility?**

**How do we develop managers with the dual capabilities of specialized knowledge and breadth of perspective?**

These are tough questions. These are questions that do not have

easy answers. They may not, in fact, have any reasonably complete answers.

Critics say university programs are too theoretical. They don't teach real applications. Programs should focus on practical prescriptions rather than theoretical concepts. These criticisms say that schools must make a choice—theory or practice. Ever increasing numbers of business people, faculty and students have taken up this slogan.

I find this approach troublesome—if not scary. Management is a combination of "art and science." The "art" (practice) is important. But, without understanding the "science" (theory), we cannot meet routine questions, let alone major challenges. People who succumb to the "theory or practice fallacy" are dangerous. They are Luddites of the 20th century.

In your managerial careers you must be many things—analyzers, deciders, implementors, allocators and mentors. **I challenge you to be all these things and more—scholars.** To meet the management challenges now and in the future, managers must continually struggle to understand how and why various management approaches and techniques work. We must keep abreast of developments in management thought. We must continually relate our personal problem-solving experiences to the knowledge in our field.

We all understand how to be problem-solvers. Problem-solving is not enough. We must relate and use our experiences to the general body of management knowledge. Working with and adding to the body of knowledge defines scholarship.

Your education was based upon these premises. Your future experiences must continue to be based on them. Without this scholarship-oriented approach to management practice, you will gradually lose your potential. Without this scholarship-oriented approach to management, society will not fully benefit from the potential you represent. □

Norman L. Chervany is professor of management sciences and director of Professional Management Programs at the University of Minnesota School of Management.



Norman L. Chervany

Photo by Tim Rummelhoff

# Twelve appointed to School's Board of Overseers

Twelve new members were named to the University School of Management Board of Overseers at its October Annual Meeting.

The Board of Overseers is an advisory body created by the School to maintain a strong relationship with the community it serves. The Board consists of leaders from business and other appropriate segments of the community who have a deep concern for management education at the University and its importance to the community.

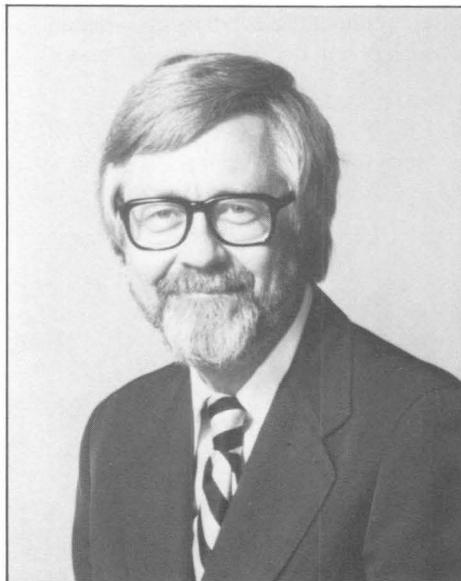
Overseers assist in creating public recognition of, understanding of, and confidence in the School of Management. They advise in academic, career, placement and special service programs. They assist in seeking financial support for current academic, faculty and student aid programs, other current needs, special capital programs and endowment funds for long-term stability.

Each overseer serves on one of two committees—Academic Affairs and External Affairs—which assist the School with issues, trends, analyses, and program and financial support. There are 40 members of the Board. They are appointed by the School of Management Dean for a three-year term.

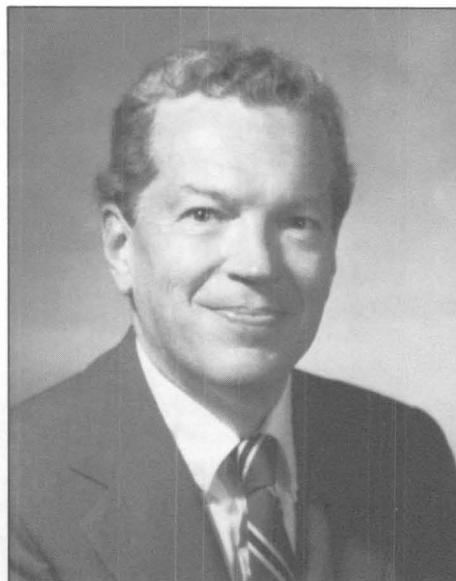
Newly appointed overseers include: **Tony Andersen**, president and chief executive officer of the H. B. Fuller Co.; **Charles M. Denny, Jr.**, president and chief executive officer, Magnetic Controls Co.; **Harvey Golub**, president and chief executive officer,

IDS/American Express; **Roger L. Hale**, president and chief executive officer of the Tennant Co.; **Deborah Howell**, executive editor of the *St. Paul Pioneer Press and Dispatch*; **Harvey B. Mackay**, founder and chairman of the board, Mackay Envelope Co.; **Glen D. Nelson**, president and chairman of the board of trustees, Park Nicollet Medical Center; **Charles W. Oswald**, chief executive officer and chairman of the board, National Computer Systems; **James J. Renier**, vice chairman of the board and president, Information Systems, Honeywell Inc.; **James R. Spicola**, president and chief operating officer, Cargill, Inc.; **John G. Turner**, president, Northwestern National Life Insurance Co.; and **Mervin D. Winston**, president, Metropolitan Economic Development Association (MEDA).

Members with terms ending this year include: **Judson Bemis**, director and retired chairman, Bemis Co., Inc.; **David G. Croonquist**, board of directors, H. B. Fuller Co.; **Robert H. Edwards**, president, Carleton College; **Ronald M. Hubbs**, chairman, The Bigelow Foundation; **Stephen F. Keating**, retired chairman, Honeywell Inc.; **M. D. McVay**, retired chairman and chief operating officer, Cargill, Inc.; **George T. Pennock**, retired chairman, Tennant Co.; **Walter D. Scott**, chairman, GrandMet USA; **Roy M. Svee**, retired senior vice president, strategic planning, Target Stores; and **E. Palmer Tang**, retired partner-in-charge and senior partner, Touche Ross & Co. □



Anthony L. Andersen



Charles M. Denny, Jr.



Harvey Golub



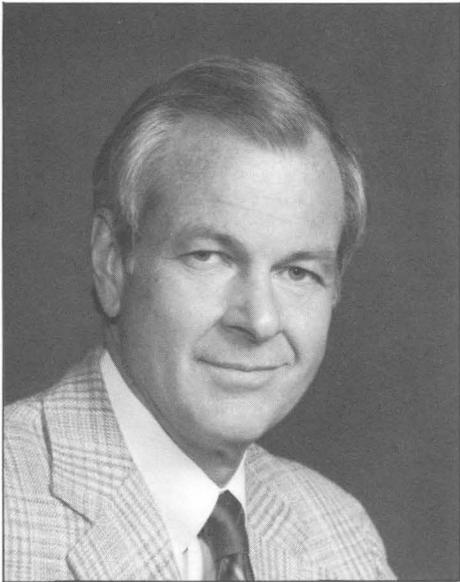
Roger L. Hale



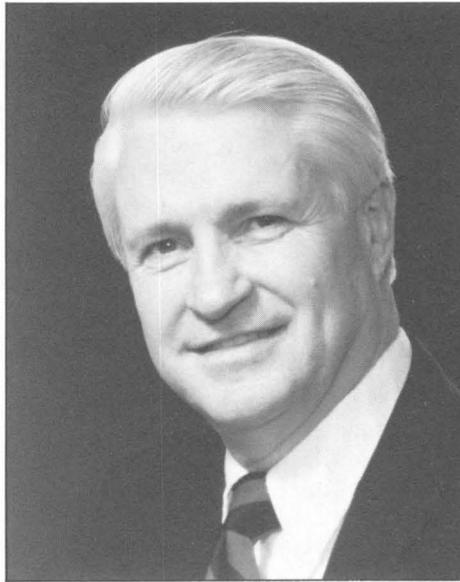
Deborah Howell



Harvey B. Mackay



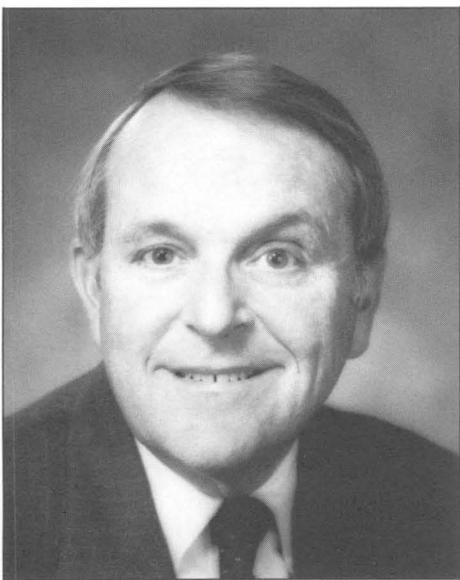
Glen D. Nelson



Charles W. Oswald



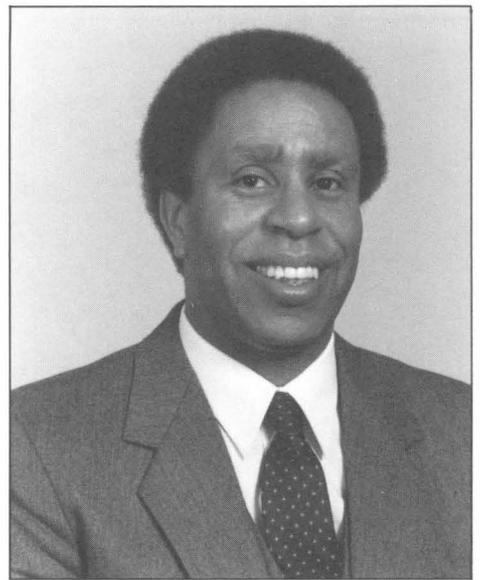
James J. Renier



James R. Spicola



John G. Turner



Mervin D. Winston

# Crocker, Atwater address 1984 grads

Lifelong learning and a strong belief in the morality of free enterprise are a winning combination for success, School of Management graduates learned last spring.

Developing a strong sense of self-worth and a stronger sense of self-confidence will be your greatest personal challenges, Jack Crocker, chairman of the executive committee of Super Valu Stores, Inc., told 378 MBA graduates. That hinges on a belief in the basic principles and moral rightness of what we're doing in business, he added.

Formal education and reality must mesh, according to H. Brewster Atwater, chairman and chief executive officer of General Mills, Inc. Atwater addressed 322 students who received undergraduate baccalaureate degrees.

"The ability to learn continuously and build on the past is the prime characteristic of successful organizations and individuals," Atwater said. "With organizations, the differential ability to learn is clearly necessary to effective competitive performance."

Crocker challenged antiquated beliefs about business. The notions that free enterprise exists to make hoards of money for owners and management, that "rich" people become wealthy taking from those without, and that personal savings and banked money mean capital out of circulation are outdated, he said.

"The competitive free enterprise system provides for and protects only one group—the consumer," Crocker explained. It was never meant to protect any other group. Business exists to serve the consumer. The consumer becomes the final authority, determining which companies will grow and prosper and which will fail. He cited the American automobile industry and mass merchandising as examples.

Profit is not an unsavory word, he said. It proves the efficient use of human and natural resources in better serving the nation. Wisely reinvested profits serve society, providing new industry, growth, technology, employment, pensions, schools, parks, roads and much more.

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*Jack Crocker*

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*H. Brewster Atwater*

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Crocker said personal wealth puts money into productive circulation. "It will always be in partnership with America's workforce, creating new jobs and working side by side with them to be more productive," he said. He urged graduates to treat personal wealth as a trusted responsibility to a healthy country. "If it were not for our country's wealth, we would produce no more than our early settlers and live no better."

Organizations with long-term prosperity stress learning, Atwater said. School of Management graduates have a big advantage entering the business world. Now, the degree must be complemented with on-the-job learning and experience.

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*"The competitive free enterprise system provides for and protects only one group—the consumer."*

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"Experience is not a function of age or time in grade," he said, "but the depth and breadth of your learning experiences in the world." It comes from discovering new aspects about the way the world works and capitalizing on them for the company and ahead of the competitors.

Atwater shared some of General Mills' learning techniques. Face-to-face communication, a multiple-mentor system, knowing and understanding people, troubleshooting, freedom to fail and outside activities are some effective tools.

Anticipating and taking advantage of change is the major learning experience, he said. The successful organization or individual keeps a step ahead of the benefits from change.

Learning is more than facts and data, Atwater concluded. Besides the analytical and rational approach to problem solving, the best managers develop and use their creative, intuitive and emotional abilities. While rationality is vital, the new solution, discovery or competitive breakthrough often comes from processes that go beyond pure analysis. □



Naegele Outdoor Advertising donated six billboards promoting the theme "Management Technology...Learn It."

## Downtown classes prove popular

Noon hour Extension classes in downtown St. Paul and Minneapolis proved a successful experiment last summer.

Introductory Management Sciences courses were offered through sponsoring agencies and companies, including the City of St. Paul and Hennepin County.

The School of Management recently surveyed its extension students and learned that it could do a better job if extension courses were more accessible, said Ron Klietsch, extension classes coordinator in the Department of Management Sciences.

"The courses downtown were an effort to reach more students by offering an alternative to on-campus evening courses," Klietsch said.

Dean Preston Townley said the venture extends the mission of the University and particularly enhances the ways available to reach the adult learner in the business community.

The offerings are part of a Management Sciences Departmental awareness campaign based on the theme, "Management Technology: Learn It." The campaign has been promoted on billboards and in publications.

Courses focused on management information systems, managerial statistics and a project on operations management. While enrollments weren't booming, the series was off to a good start.

Ron Guilfoile, St. Paul city employee relations coordinator, called it a welcome effort by the University in bringing its resources to people downtown.

"The courses are relevant, convenient for employees, and can contribute to career development for both degree-seeking students and those who are interested simply in self-improvement," he said.

Management Sciences courses are being held in downtown locations again this fall. Management Sciences plans to get other departments involved in the program soon. □

## Placement figures show increase

The School of Management Office of Career Planning and Placement reported that 1983-84 saw an improvement in placement for graduates.

Almost 80 percent of those students registered with the placement office and actively seeking employment (as of August 1, 1984) were placed. Overall placement for 1982-83 was just below 70 percent.

Salaries also showed an increase. Average salary for MBA graduates was \$27,540, up seven percent from 1982-83. Average salary for Masters in Industrial Relations graduates was \$25,200, up three percent.

Bachelor salaries also rose. The average for those in the regular program was \$17,808, an increase of eight percent over 1982-83. Accounting graduates received an average salary of \$18,900, a six percent increase. □

## Northwestern Bell grant funds jobs analysis

One of the country's most comprehensive and detailed job-related data sets will be the product of a \$738,000 research contract between the School's Industrial Relations Center and Northwestern Bell.

Twenty-five graduate students will be employed, along with a project director, associate director, two secretaries and a variety of faculty consultants.

Project resources will largely be spent gathering detailed information about non-management jobs in firms in Minnesota, Iowa, Nebraska, and North and South Dakota. Information about job settings, work tasks, pay rates and employee benefits will be gathered from a random sample of firms located in Northwestern Bell's service area.

"The project's initial step involved training industrial relations graduate students in job analysis techniques," said David Estenson, project manager. Job analysts will collect the requisite data through on-site visits. Bell Communications Research of New Jersey sent an expert to campus in October for two weeks of job analyst training.

Mario Bognanno, professor and chairman of Industrial Relations, the project's principal investigator, said the data gathered will be used by Northwestern Bell and the Communications Workers of America. They have established a joint Occupational Job Evaluation (OJE) committee that will evaluate jobs based on the information provided by the Industrial Relations Center. □

# Faculty News

## New Appointments

**Andrew Bailey**, professor and chairman of accounting, named co-editor of *Auditing: A Journal of Practice and Theory*, a journal of the American Accounting Association Auditing Section, 1984/85 to 1986/87.

**James Beaton** hired as programmer/coordinator by the Industrial Relations Employer Education Service.

**Mario Bognanno**, professor and chairman of Industrial Relations, appointed to the Minnesota Manufacturing Growth Council. He has also been appointed a public member of the Minneapolis Steering Committee on Labor/Management Cooperation.

**Jeanne Carroll**, hired as assistant director of alumni relations for the School of Management.

**Gordon Duke**, professor of management sciences and accounting, received the Award of Merit in a competition sponsored by the Society for Technical Communication, New York chapter, for *Auditing and EDP*, second edition (with Donald L. Adams and Carol A. Schaller).

**John Fossum**, associate professor of industrial relations, appointed director of graduate studies, Industrial Relations Center.

**Patrick Hess**, from Ohio State University, named associate professor of finance and insurance.

**Stephanie Lenway**, assistant professor of strategic management, named teacher of the year, 1983-84, at Washington University, St. Louis, MO. She taught there before joining the University of Minnesota.

**Al Lopez**, named minority coordinator, undergraduate studies for the School of Management.

**Alfred Marcus**, from the Battelle Human Affairs Research Center, appointed assistant professor of strategic management and organization.

**David Naumann**, assistant professor of management sciences, appointed to a four-year term of the Minnesota Telecommunications Council by Governor Perpich.

**Haim Reisman**, from the Hebrew University of Jerusalem, named assistant professor of finance and insurance.

**Jerry Rinehart**, appointed acting director of undergraduate studies.

**Kenneth Roering**, professor and chairman of marketing and business law, named to the American Marketing Association Doctoral Consortium Faculty at Northwestern University.

**Nancy Roberts**, assistant professor of strategic management and organization, received a Gordon L. Star Faculty/Staff recognition award for outstanding contribution of service to students.

**Roger Schroeder**, professor of management sciences, appointed to the board of directors of Productivity, Inc.

**Paul Schumann**, assistant professor of industrial relations, received the "Herbie"—the IPX outstanding teacher award for the second year.

**Gerald Smith**, from the University of Pennsylvania, named assistant professor of decision sciences.

**Howard Strauss**, former vice president and director of INCO

ElectroEnergy Corp., named director of the Executive Fellowship Program and adjunct professor of operations management.

**Shyam Sunder**, professor of accounting, appointed to the Honeywell Professorship in Accounting.

**Leslie Walters**, appointed assistant director of community relations for the School of Management.

## New Grants

International Management Information Network to **Stuart Albert**, associate professor strategic management and organization, and **Delbert Hastings**, professor strategic management and organization, to help develop international education.

School of Management to **Dennis Ahlburg**, assistant professor of industrial relations, to study retraining choices of displaced workers.

Northwestern Bell to **Mike Bognanno**, professor and chairman of industrial relations, **David Estenson**, visiting assistant professor of industrial relations, **Richard Arvey**, professor of industrial relations, **John Fossum**, associate professor of industrial relations, and **Dennis Ahlburg**, **Howard Miller** and **Paul Schumann**, assistant professors of industrial relations, to conduct a detailed wage survey on what people do in their jobs and the conditions under which they work.

Marketing Science Institute to **Richard Cardozo**, professor of marketing and business law, to study new developments in industrial communication and distribution systems.

Association for Computing Machinery to **Gerry DeSanctis**, assistant professor of management sciences, to study computer based support for group decision making.

The Doelz Summer Faculty Enrichment Award to **John Fossum**, associate professor of industrial relations. He also received a grant from the American Compensation Association to study effects of structural variables on the magnitude and variability of recommended salary increases.

Information Impact Program of the National Science Foundation to **James Jordan**, associate professor of accounting, for a project entitled "Information Flows Intrinsic to the Stability of Economic Equilibrium."

Bush Foundation to **John Mauriel**, associate professor of management sciences, to develop an advanced management course for school principals.

Graduate School to **Nancy Roberts**, assistant professor of strategic management and organization, to study the evolution of group culture and its relationship to individual and group effectiveness.

**Kenneth Roering**, professor and chairman of marketing and business law, **Kathy Gardner**, assistant professor of marketing, **Robert Ruekert**, assistant professor of marketing, and **Orville Walker, Jr.**, professor of marketing for their project "The Implementation of Business Unit Strategies: Structure, Processes and Marketing Programs."

Honeywell to **Andrew H. Van de Ven**, professor of strategic management and organization, **Roger Schroeder**, professor of management sciences and **Gary Scudder**, assistant professor of management sciences, to study transitions management.

3M to **Andrew H. Van de Ven**, professor of strategic management and organization, **Roger Schroeder**, professor of management sciences and **Gary Scudder**, assistant professor of management sciences to study innovation and manufacturing.

## Publications and Activities

**Dennis Ahlburg**, assistant professor of industrial relations, wrote a chapter on "The Demographic Structure in Macroeconomic Simulation Models" for the National Research Council's Committee on Population for their study of Population Growth and Economic Development in Developing Countries.

**Andrew Bailey**, professor and chairman of Accounting, **Gordon Duke**, assistant professor of accounting, **Chen-Enko** and **Rayman Meservy**, Accounting Ph.D. candidates: "Ticom and the Analysis of Internal Controls," in the *Accounting Review* (with James Gerlach and Andrew Whinston).

**Terry Childers**, assistant professor of marketing, **Robert W. Ruekert**, assistant professor of marketing and **David M. Bousch**, Ph.D. candidate in marketing presented "Assessment of the Psychometric Properties of Alternative Measures of Cooperation and its Antecedents within Marketing Channels," at the AMA Summer Marketing Educators' Conference.

**Gordon Davis**, professor of management sciences and accounting: *Conceptual Foundations, Structure, and Development*, 1985, McGraw Hill Book Company (with **Margrethe H. Olson**), the second edition of this textbook that has been named a classic in the field. **Davis** and **David Naumann**, assistant professor of management sciences: "Analysis and Eliciting Strategies and Methods in Information Requirements Determination," in proceedings of the SPOT-3 Conference, Gothenberg, Sweden, 1984.

**Alan Dubinsky**, visiting associate professor of marketing: "From Selling to Sales Management: A Developmental Model," *Journal of Consumer Marketing*, summer 1984 (with Thomas Engrem). "Job Status and Employees' Responses: Effects of Demographic Characteristics," *Psychological Reports*, summer 1984 (with Stephen Skinner). "Turnover Tendencies Among Retail Salespeople: Relationships With Job Satisfaction and Demographic Characteristics," presented at the 1984 AMA Summer Marketing Educators' Conference. Also presented "Empirical and Dimensionality of the Retail Sales Job," (with Vince Howe) at the same conference. Conducted a seminar, "Proven Principles of Professional Selling," at the University of Kentucky Management Center.

**Cheol S. Eun**, assistant professor of finance and insurance and **Bruce G. Resnick**, assistant professor of finance and insurance: "Estimating the Dependent Structure of International Share Prices," to be published in a forthcoming *Journal of Finance*. **Eun** also presented "Foreign Currency Options Contract and the Triangular Party Relationships: A Simple Arbitrary Approach," at the First International Meeting in Monetary Economics and Banking in Orleans, France.

**Edward Freeman**, associate professor of strategic management and organization, and **Ian Maitland**, assistant professor of strategic management and organization, were instructors in the Social Issues in Management Division's doctoral consortium prior to the Academy of Management meetings in Boston.

**Charles Manz**, assistant professor of strategic management and organization: "Linking Cognition and Behavior: A Script Processing Interpretation of Vicarious Learning," *Academy of Management Review* (with D. Gioia). "Self Leadership: Developing Skills for Improving and Maintaining Individual Performance" presented at the American Psychological Association Convention in Toronto.

**Ian Maitland**, assistant professor of strategic management and organization: "Interest Groups, Politics and Externalities," *A Journal of Politics*, February 1985.

**Alfred Marcus**, assistant professor of strategic management and organization: "*The Adversary Economy: Business Responses to Changing Government Requirements*," published by Greenwood. Organized a panel and delivered a paper at the Association for Public Policy Analysis and Management Annual Research Conference in New Orleans.

**Nancy Roberts**, assistant professor of strategic management and organization, chaired a symposium, "Rethinking Charisma: Structure, Processes and Consequences," for the Academy of Management meeting in Boston. She presented a paper on transforming leadership at the same conference.

**William Rudelius**, professor of marketing: "Study Exercises as an Instructional Tool: A Conceptual Model in Empirical Tests," presented at the 1984 AMA Summer Marketing Educators' Conference in August (with Steven W. Hartley).

**Roger Schroeder**, professor of management sciences: "Operations Strategy—Missing Link in Corporate Planning," *Management Review*, August 1984. "Getting Results From Your MRP System," *Business Horizons*, May/June 1984 (with John Anderson).

**Paul L. Schumann**, assistant professor of industrial relations: "Compensating Wage Differentials For Mandatory Overtime?," forthcoming in *Economic Inquiry* (with Ronald G. Ehrenberg, Cornell University).

**Shyam Sunder**, professor of accounting, "Market for Information: Experimental Evidence," presented at Stanford University's Summer Accounting Workshop. He also presented it at the California Institute of Technology and the annual meeting of the American Accounting Association in Toronto. Sunder also participated in the Wisconsin Conference on the Roles of Accounting Organizations in Society.

## Visiting Faculty

**Hamdi Fouad Ali**, from the Beirut University College, Beirut, Lebanon, is a visiting professor in Professional Management Programs for one year.

**John Cragun**, from Utah State University, is a visiting professor in Industrial Relations for one year.

**Alan Dubinsky**, from the University of Kentucky, is a visiting associate professor in Marketing for one year.

**Dave Estenson**, from the University of California at Berkeley, is a visiting assistant professor in Industrial Relations through spring quarter 1985.

**Errol Iselin**, from the University of Queensland, is a visiting professor of management sciences in MIS during fall quarter 1984.

**Maureen Lahiff**, from the University of Minnesota's Statistics Department, is a visiting professor of management sciences for one year.

**Debra Lu**, from St. Cloud University, is a visiting professor of accounting for one year.

**Ming-te Lu**, from St. Cloud University, is visiting Management Science's MIS area through spring quarter 1985.

**Maureen Smith**, from Ohio State University, is a visiting assistant professor of accounting for one year. □

# Priorities examined by Alumni Advisory Council

“From your perspective as an alumnus and a management practitioner, what are important priorities for alumni and the School?”

This was the question of the day—and the on-going issue being addressed by the School’s Alumni Advisory Council—on a Saturday morning in June when a group of alumni leaders convened for an **Alumni Leadership Workshop**.

“The workshop was so successful that we’d like to make it an annual event” said **Bette Abraham**, Alumni Advisory Council (AAC) chair. “The School has, and is, evolving so much that we need an annual forum for alumni leaders to talk about things they see as important issues.”

At the Alumni Leadership Workshop, alumni were asked to give their opinions on alumni programs and social activities; alumni fund raising efforts; alumni generated liaisons between the School and the business community; and the School’s product quality. Each of these four areas is represented by an Alumni Advisory Council Committee. Committee membership includes AAC members and other alumni volunteers.

A common question is “what does ‘product quality’ mean?”

**Kay Barber**, MBA alumna with the Pillsbury Company and Product Quality Committee chair, talked about her committee’s name and intent. “We looked at all of the things that alumni think are important in talking about the quality of the School. Alumni say that the School’s admissions standards are important. They also say that the students’ educational experiences are important. And alumni are always talking about the kinds of job and salary offers that students get, as well as how Minnesota graduates compete with business graduates of other universities.”

“It became obvious that what we were talking about was the quality of the School’s product. So, we named it the Product Quality Committee, which sums it all up,” Barber said.

The AAC is looking for and recruiting alumni volunteers on an on-going basis. Volunteer activities include such things as serving on committees, speaking to student groups, working with students as career advisors, serving on panels at University sponsored events, working with prospective undergraduate and graduate students, and serving as external resource people for faculty members.

If you are interested in joining one of the committees or if you’d like more information on getting involved as a volunteer at the School, please contact Jeanne Carroll, assistant director, Alumni Relations, University of Minnesota, School of Management, 271 19th Avenue South, Minneapolis, Minn. 55455, (612) 376-3217 or any Alumni Advisory Council member.

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Other AAC highlights....

New members of the AAC include **Nancy Browning** ’81MBA, Manager, Midwest Consumer Packaged Goods, Tymshare Inc; **Tom Brakke** ’83, Securites Analyst, IDS/American Express; **Karen Hawley** ’81Ph.D., Quality Manager, Underseas Systems Division, Honeywell Inc; **Jim Miller** ’63, President, Employers

Overload; **Ken Reynolds**, ’82MMI, District Manager, Information Services, Northwestern Bell, and **E. Palmer Tang**, ’38, Retired Partner-in Charge and Senior Partner, Touche Ross and Company. **Kay Barber** ’75MBA, The Pillsbury Company and **M.D. (Buck) Menssen**, ’59, ’73MBA, Sector Controller, 3M, were named Vice Chairmen of the AAC.

**Jeanne Carroll** has joined the School of Management staff as Assistant Director, Alumni Relations. Look for a big AAC-sponsored **Homecoming event** in the fall of ’85. The AAC is trying to develop Minnesota School of Management **alumni networks** within companies. If you’re interested in getting one started in your company, contact Jeanne Carroll at (612) 376-3217. □

## New Alumni fundraising program underway

**E. Palmer Tang**, ’38 and **Nancy Browning**, ’81MBA are in charge of a new alumni fund raising program at the School of Management. Via the Alumni Advisory Council’s Fund Raising Committee, new annual gifts for the School will be raised at special levels (\$1000 and \$500 annually) from individual alumni.

The School’s alumni annual fund raising program began in 1979. Alumni contributions that fiscal year exceeded \$80,000. Before that, alumni gave a cumulative total of about \$12,000 to the School. In the fiscal year 1984, alumni gifts represented about \$150,000.

At a planning meeting, Browning stated: “We want to raise a minimum of another \$100,000 through an aggressive volunteer effort. And our biggest challenge is to get the word out that the School needs—and depends on—gifts from alumni to be competitive with other major business schools. Our alumni are demanding a high quality business school. The only way to achieve it is with their help.”

“A common misconception is that people think that the University is state-supported, and that private gifts aren’t necessary. We’re in the business of telling people that the School is assisted by the legislature, and that only 63.6 percent of its budget comes from the State. We’re going to rely heavily on alumni gifts to provide the kind of funding that will give the School a margin of excellence, because private gifts have to make up about 17 percent of the School’s \$9.2 million budget (the balance is from program related revenues).”

“We’ve been inspired by the program at a business school at another state-assisted institution—the University of Michigan at Ann Arbor. Their alumni contribute about \$400,000 a year. They tell their alumni to ‘look at the competition—i.e., Harvard, Stanford, Chicago, and even the Michigan Law School—and what their alumni are giving annually.’ Well, we want to tell Minnesota alumni to look at business school alumni contributions to the University of Michigan and the amount they contribute annually! We’re also going to tell alumni about what the School could do if it had another \$100,000 per year.”

For more information, please contact Gretchen Roufs, Director, Alumni Relations, University of Minnesota, School of Management, 271 19th Avenue South, Minneapolis, Minn. 55455 (612) 376-9483. □

# Delta Sigma Pi celebrates 60th Anniversary

Delta Sigma Pi alumni gathered in Minneapolis in June to celebrate the University of Minnesota Chapter's 60th anniversary. Sixty years worth of chapter alumni, from Delta Sigma Pi's charter group to June 1984 graduates, attended the celebration.

Delta Sigma Pi's \$50,000 gift to the School of Management was formally recognized at the event. A new undergraduate student lounge will be named for the fraternity. Delta Sigma Pi members presented a plaque for the student lounge, commemorating the fraternity's 60th anniversary. The plaque also reflects the mission—fostering business study and promoting community civic and commercial welfare.

Dean Preston (Pete) Townley presented a facsimile of the plaque to Delta Sigma Pi. The plaque will hang outside the student lounge upon its completion in fall, 1985.

**Roy Svec**, '47, master of ceremonies for the anniversary event, said "the Chapter is very proud of the fact that it approved, at its 55th anniversary in 1979, this gift from the fraternity to the School. And it is very significant to us that Pete Townley, as the School's new dean, and his wife Marcia were with us to celebrate our 60th anniversary and receive the gift on behalf of the School of Management".

The celebration also included a special presentation to **Rudie Janzen**, '25. Since the chapter's inception, he has been responsible for the success, leadership, and organization of the alumni group.

Svec said, in making the presentation to Mr. Janzen, "All of us think of Rudie as 'Mr. Delta Sigma Pi'. He is the cohesive force

that has kept the alumni group together, and is very highly regarded and respected by everyone." Janzen received a plaque naming him "Mr. Delta Sigma Pi." Fraternity members from all around the country sent monetary gifts collectively presented to Janzen and wife **Ellie** for a trip.

Among other things (like organizing the 325 people for the June 24th celebration!) Janzen, with the help of Ellie, writes and sends a quarterly newsletter to fraternity's alumni group. When asked if there is a 65th anniversary celebration on the drawing board, Svec responded "I suspect there will be another celebration, because Rudie will prod and encourage us to plan it!"

Delta Sigma Pi, a professional business fraternity which now admits women business students as well as men, has almost 1300 initiates in its 60 years at the University of Minnesota. The Student group meets weekly during the academic year. The local alumni group meets monthly.



Delta Sigma Pi alumni of the 1980s.

Charter members of Minnesota's Delta Sigma Pi.



# Alumni Update

**Everett G. Sherman**, '41, Minnetonka, Minn., retired from Honeywell, Inc. He was manager, pension/retirement administration, corporate employee relations department.

**Paul F. Colesworthy**, '43, Charlotte, N.C., retired after spending 10 years in the leasing business, and before that, with First National Bank of Minneapolis.

**Betty Wood Stein**, '48, passed the CPS exam in 1980 and is secretary to the Conference Minister and office coordinator, Minnesota Conference of the United Church of Christ, Minneapolis.

**George L. Eastling, Jr.**, '49, '67MBA, Overland Park, Kan., retired in 1980 as past director, Kansas City Commodity Office, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture. He is currently an agricultural consultant with Wm. Sallee and Associates, Arlington, Va. He is a charter member of Senior Executive Service USA.

**George L. Glotzbach**, '53, is vice president, Alexander & Alexander Inc., Baltimore, Md.

**James R. Spicola**, '54, was named president and chief operating officer, Cargill Inc., Wayzata, Minn. He had been an executive vice president since 1981 and a member of Cargill's board since 1973.

**Nana Lowe Anderson**, '58, Salt Lake City, Utah, is an accountant at the University of Utah.

**Michael Evers**, '59MBA, '78Ph.D., was appointed dean of the Master's of Business Administration program at St. Thomas College, St. Paul. Most recently he served as vice president of operations at Endotronics Inc., a Twin Cities bio-tech company.

**Gary D. Bringgold**, '60MBA is CEO, DPK&O, Minneapolis.

**Victor W. Kirsch**, '60, president, Keating, Kirsch & Associates, Minneapolis, earned the Distinguished Service Award with 20 consecutive years in Equitable Life Assurance Society's National Leader Corps. He is past president of the Minneapolis Chapter of American Society of Chartered Life underwriters.

**Lenny D. Klonecz**, '62, '70MBA, St. Paul, is with 3M as an advanced systems specialist.

**John H. LeMay**, '66, attorney and partner, Sweeney, O'Connor & LeMay, P.A., St. Paul.

**Robert P. Bowles**, '67MS, New York, N.Y., is vice president, Bankers Trust Co.

**Richard L. Larson**, '68MBA, is president, Infinite Graphics, Inc., Minneapolis.

**Gregory S. Anderson**, '69, St. Paul, is Twin Cities principal of the John O. Todd Organization, a national employee benefits counseling firm.

**Thomas W. Sanders**, '70, is with Dayton's in Minneapolis.

**Richard M. Hetland**, '70, Brentwood, Tenn., is president and principal consultant, Transportation Management Consultants Inc., a new firm offering a full range of transportation/distribution consulting and transportation tax management.

**Kenneth A. Richard, Jr.**, '71, president, Kenneth A. Richard and Associates, St. Paul, has earned the Chartered Financial Consultant diploma and certification from the American College, Bryn Mawr, Pa.

## What's New?

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

**Chuck Janzen**, '72, Des Moines, Iowa, is director of store services for Central Tractor, the world's largest supplier of used tractor parts.

**Wilbert Wang-Chun Lai**, '72MBA, Toronto, Ontario, Canada, is district comptroller, General Bakeries Ltd.

**Alonso Velasco**, '73MBA, Chula Vista, Calif., is with Qualidyne Systems, Inc., as operations manager for Mexico.

**Jim W. Hurley**, '73MBA, North Vancouver, B.C., Canada, is general sales manager, The Bay Department Stores.

**Stanley Sieberg**, '73MBA, is president & CEO, Bruce Franklin, Inc., Woodinville, Wash.

**David Rudd**, '73MBA, was appointed vice president and general manager of WCC Direct, the direct response advertising division of Wilton, Coombs, & Colnett Inc. (WCC), Mt. Eden, Calif. Previously he was with the Sharper Image of San Francisco and Eddie Bauer Inc. in Seattle.

**William S. Goldman**, '74, Minneapolis, is controller, Charles B. Edwards & Co., Inc.

**Kerry J. Juntti**, '74MBA has been promoted to assistant controller, operations, at the Toro Company, Bloomington, Minn. He will be responsible for operations and cost accounting.

**John D. Winter**, '76, is with Northern States Power, Minneapolis, as administrator, Revenue Requirements (Rate Dept).

**Susan M. Kansier**, '76MBA, is manager, support services, Computing Capabilities Corp., Mountain View, Calif.

**Robert J. Kueppers**, '76, received a two-year appointment as a Professional Accounting Fellow in the Office of the Chief Accountant of the U.S. Securities Exchange Commission in Washington, D.C. He is there after eight years with Deloitte Haskins & Sells.

**Charles T. Green**, '76MBA, is director of MIS for Gambles, Minneapolis.

**Gary Esping**, '76, '78MBA, Hutchinson, Minn., is divisional planning manager, 3M, Data Recording Products, St. Paul.

**Steven Strauss**, '77, is with CPT as senior diagnostic software engineer, in Minneapolis.

**William Eckbald**, '77, Bettendorf, Iowa, is vice president of St. Luke's Hospital, Davenport, Iowa.

**Daniel Ferguson**, '77, Phoenix, Ariz., is pharmaceutical salesman with William H. Rorer Inc.

**John Baxter**, '77, '79MAIR, was recently promoted to assistant director of industrial relations, Erie Mining Company, Hoyt Lakes, Minn.

**Valerie L. Hatfield**, '77, is a software engineer with Microdata Corporation, Irvine, Calif.

**Karen Sutliff Rainford**, '78, Eagan, Minn., is with Firstel Information Systems, Inc., US West Company, as sales engineer.

**Diane Ogg**, '78, '83MBA, is a software financial consultant with Digital Equipment Corporation in Santa Clara, Calif.

**Ronald Finnigan**, '78MAIR, Bartlesville, Okla., is manager, branch employee relations, TRW Reda Division.

**William Dubats**, '78MBA, is program manager with FMC, Northern Ordnance Division, Minneapolis.

**Maureen C. Thommes**, '79MBA, Bemidji, Minn., is an instructor in business administration in the computer information systems area at Bemidji State University.

**Suresh C. Bhargavaa**, '80MBA, is with CTS Fabri Tek, Inc., Eden Prairie, Minn., as principal industrial engineer.

**Stephen Yingst**, '80, is production controller, Rosemount, Inc., Eden Prairie, Minn.

**Ronald Ostby**, '80MEP, Omaha, Neb., is vice president & chief financial officer, AG Processing Inc. (AGP).

**Diane Baur Gotham**, '81MBA, Phoenix, Ariz., is a systems engineer, IBM Corporation.

**Ronald B. Johnson**, '81MBA, Minnetonka, Minn., is director of printing, Minnesota State Department of Administration, St. Paul.

**Scott Schufman**, '81, is with IDS Life Insurance Company as staff analyst, actuarial statistics and reports, in Minneapolis.

**James A. Kraus**, '81, is plant manager, KLK Industries, Inc., White Bear Lake, Minn.

**Jeffrey Fallon**, '81, Bismarck, N.D., is a sales agent in the printing/publishing division of Josten's.

**Susan Brocious**, '81, is a systems engineer, Electronic Data Systems Corp., Dallas, Texas.

**Kirsten J. Langohr**, '81MBA, Plymouth, Minn., is a marketing research manager with General Mills, Inc.

**Stuart Rubin**, '81, received his M.M. in 1983 from the J.L. Kellogg Graduate School of Management, Northwestern University, and is vice president, operations, Stevens-Lee Co., Plymouth, Minn.

**Linda J. Taler**, '82, is with Our Own Hardware Co., Minneapolis, as payroll & budget analyst.

**Mark W. Erickson**, '82, Minneapolis, is a self-employed business consultant specializing in accounting & financial computer systems.

**Miles C. Huffstutler, III**, '82, is taking a two-year leave of absence from General Electric and will work on his MBA at the Wharton School, Philadelphia.

**Dee Dee (Dorothy) Ward Hull**, '82, Wayzata, Minn., is director of marketing for the Voyageur Outward Bound School, Long Lake, Minn.

**Jeffrey Zibley**, '82MAIR, Northfield, Minn., is director, human resources, Malt-O-Meal Company.

**Brian F. Hill**, '82MBA, Beaumont, Texas, is manager, marketing administration, Cargill-North Star Steel.

**Elise M. Hong**, '82MBA, became a CPA in February, 1984 and is controller, Hirsh-Newman Company, Minneapolis.

**Scott F. Peterson**, '83MAIR, Richmond, Va., is with Philip Morris USA as employee relations representative.

**Renee Locketz**, '83, is accounting supervisor, refrigerated foods, The Pillsbury Co., Minneapolis.

**John Sandahl**, '83, Roseville, Minn., works in production control at the Sperry Corporation Semiconductor Assembly Center.

**Susan E. Baer**, '83MBA, is manufacturing product planner, Oximetrix, Inc., Mountain View, Calif.

**Peggy R. Millford**, '83MBA, Omaha, Neb., is director, Northwestern Bell, Omaha.

**Daniel Ray Peterson**, '83MBA, is with The Pillsbury Company as financial analyst in Minneapolis.

**Kathryn E. Popham**, '83MBA, is assistant national bank examiner, U.S. Treasury Department, Office of the Comptroller of the Currency, Minneapolis.

**Mary Connor**, '83MBA, Rush City, Minn., is controller at the College of St. Catherine, St. Paul.

**Diane Emerson**, '83MBA, St. Paul, is director, The Kingman Consulting Group, Inc.

**Jerry Schulkers**, '81MMA, was promoted to director of field operations, Data Card Corporation, Minnetonka, Minn.

**Suzanne Dieltz**, '83MBA, is an IBM marketing representative in Minneapolis.

**Prashant Palvia**, '84Ph.D., completed his dissertation in management science and is assistant professor, computers & information Sciences, Temple University, Philadelphia.

**Chris Hutchison**, '84, Carlsbad, Calif., is I.V. sales representative for American McGow, a division of American Hospital Supply Corporation. □

## *Business Day '85* Get ready for 25th Anniversary

Business Day celebrates its 25th anniversary this year.

Business Day—or B-Day—is an annual event hosted by the School of Management at the University of Minnesota. This event, sponsored by more than 60 corporations and organizations, is presented to promote:

- **education** on current business topics and practices
- **interaction** among students, alumni, corporate representatives, faculty and staff
- **celebration** of the achievements of members of the School of Management community.

Business Day '85 is April 23, 1985, 12:30-8:30 p.m. at the Radisson South Hotel, Minneapolis.

For more information, contact Jean Byrne, Deans' Office, University of Minnesota School of Management, 271 19th Avenue South, Minneapolis, Minn. 55455 (612) 373-3701. Mark your calendars for B-Day!

# Mu Beta Chi marks 25th year

Alumni of the University of Minnesota Mu Beta Chi fraternity celebrated their 50th anniversary last summer. There are approximately 300 Mu Beta Chi alumni from the University of Minnesota's Alpha Chapter. Some 160 from all around the country and Canada were in Minneapolis in August for the anniversary celebration.

**Leonard Saliterman**, '34, Mu Beta Chi's first president in 1934 and organizer of the 1984 anniversary event, reflected on Mu Beta Chi's beginning. "A handful of business students who lived at home in Minneapolis and St. Paul used to have lunch together in the Men's Union, which was across the street from Eddy Hall (where the Business School was located in 1934). We decided that we should organize and accomplish two immediate goals: obtain recognition from the School of Business, and pursue and enjoy the friendliness of all Jewish students taking business courses".

The group started in 1933 as the Minnesota Business Club, but, because of a request from the dean later that year reorganized as a fraternity. The Greek letters **Mu**, **Beta**, and **Chi**, being appropriate to the initials of the Minnesota Business Club, were adopted as the fraternity's name.

In 1949, Minnesota Mu Beta Chi alumni launched an expansion program and opened university chapters in Cleveland and Columbus Oh and Chicago. A national quarterly newsletter was published. Conventions were held in the 1940's and 1950's in Minneapolis, Chicago, and Columbus.

The University of Minnesota student chapter existed until 1966-67. Its alumni group is still connected through such things as an-



Mu Beta Chi alumni celebrate.

niversary celebrations. In his remarks to the alumni group at their anniversary celebration, Len Saliterman said, "As we grow older and satisfy our material wants, we realize more and more the importance of valuable friendships. The fact that you are here tonight illustrates the importance of our Mu Beta Chi friendships."

A plaque was presented by the fraternity to **Saliterman** in appreciation of his leadership and years of service to Mu Beta Chi.

*Mu Beta Chi members wishing to order any of the 150 photos taken at the August 4 celebration, please contact Leonard Saliterman at (612) 542-9754 or (612) 926-7861. □*

## Attention MBA Alumni

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

In the future, a formal and all-inclusive alumni directory will be published, but in the meantime, MBA alumni are invited to submit information for inclusion in the Mini-Directory. To do so, forward name, year of graduation, company and position, business address and phone number, and home address and phone number to: Jeanne Carroll, assistant director, alumni Relations, School of Management, University of Minnesota, 271 19th Ave. S., Minneapolis, Minn. 55455.

All inclusions must be voluntarily submitted by each individual, and alumni need to specifically indicate that they wish to be included in the Mini-Directory. Distribution of the directory is limited to the people who are listed in it, and it may not be used for commercial purposes.

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



# Executive Development Center programs

## I. GENERAL MANAGEMENT RESIDENTIAL PROGRAMS

**Minnesota Management Institute**

(4 weeks)

Modular format; begins February, 1985

**Minnesota Management Academy**

(9 days)

Begins March 23, 1985

## II. MANAGEMENT SPECIALIST PROGRAMS

**Systems Analysis and Design**

(5 days)

Residential program; three times a year

Upcoming session—October 20-25, 1985

**Strategic Management of Manufacturing** (7 days)

Residential program; once a year

Upcoming session May 5-10, 1985

**Controllership Academy** (6 days)

Residential program; once a year

Upcoming session—April 21-27, 1985

**MIS Executive Institute** (8 days)

Residential program; once a year

Upcoming session—June 8-15, 1985

## III. GENERAL MANAGEMENT SEMINARS

**Finance for the Professional Manager**

Mpls./St. Paul location; four times a year

year

Upcoming sessions—December 5-7, 1984 and March 18-20, 1985

**Marketing for the Professional Manager**

Mpls./St. Paul location; four times a year

year

Upcoming sessions—December 5-7, 1984 and March 18-20, 1985

**Analyzing Business Performance**

Mpls./St. Paul location; four times a year

Upcoming sessions—December 5-7, 1984 and March 18-20, 1985

**Computers and Information Systems for the Professional Manager**

Mpls./St. Paul location; four times a year

year

Upcoming sessions—September 26-28, 1984 and December 10-12, 1984

**Problem Formulation for the Professional Manager**

Upcoming session—December 4-6, 1984

## Information Request Form

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

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

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

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