

# The Exponent

NOVEMBER 1985

An Official Publication of the University of Chicago Women's Business Group

## Managing Change: How Hefner Did It

by Karen Schenkenfelder

At the October 1 UCWBG meeting, Christie Hefner, President and Chief Operating Officer of Playboy Enterprises, told the group how she has managed the changing environment of Playboy Enterprises over the last few years. Treating the group to a frank and lively talk, she described her experiences in terms of four themes: liquidity, morale, balance and strength, and flexibility and opportunism.

**Liquidity.** When Playboy Enterprises sold its gaming business, it found itself forced to grapple with the loss of its primary earning source. The company was losing money, had virtually no cash resources, and owed banks close to \$30 million. To cope with this situation, the company assessed its lines of business, with the objective to dump the losers. This involved making decisions about what lines of business to be in and how. By carrying out these decisions, as well as cutting overhead dramatically, Playboy Enterprises was able to reverse its position to one involving no debt and \$30 million cash.

Hefner noted that being part of a family business was an advantage in this situation. She was able to avoid pressure to enhance short-term earnings and to focus instead on the balance sheet. In Hefner's opinion, people in the financial community are starting to look at balance sheet liquidity, rather than earnings, so Playboy Enterprises began being recommended more as an investment.

Another advantage Hefner said she has had is, perhaps ironically, being a manager in a time of crisis. The reason this is an advantage is that bad times provide an opportunity to build support and willingness to change. During good times, people are often unable to see a reason to accept changes.

**Morale.** According to Hefner, morale is as much of a long-term interest for a company as anything else is.

She noted that in the 1980s and 1990s, building a feeling of loyalty is and will be more difficult than ever before. The difficulty she experienced in building morale was increased by the cutbacks she instituted.

Hefner has attempted to handle morale issues by addressing certain needs:

- Communication and information. She prepared weekly memos to management, in which she stated the week's accomplishments. She also held employee annual meetings.
- Visibility. She made a point of walking around the offices in order to have contact with employees.
- Balance in promotion decisions. While promotion from within can motivate performance, promotion of poor performers can actually generate hostility among the other employees, who may question whether good performance actually matters.

Morale issues can be difficult to handle when there is little money for rewarding employees, but Hefner noted some ways to enhance employees' self-worth "without money":

- Flextime
- Equivalency of part-time benefits with full-time benefits
- Matching grants and matching time (given to community) programs
- Tuition reimbursement
- 401(K) program
- Gift of company stock to employees

On the company's 30th anniversary, Hefner gave all employees 30 shares of the company's stock.

*continued on page 6*

## LET'S CELEBRATE OUR FIFTH ANNIVERSARY!

by Sue Weeks

Be certain to attend our fifth anniversary celebration and annual business meeting on December 4. We are planning a special event to make the occasion a memorable one. There will be door prizes for fun, plus a special door prize. **To be eligible for the special door prize**, you must renew your membership for 1986 at or before the meeting. So renew now!

We are all proud of the growth of the University of Chicago Women's Business Group. Please join us to meet and socialize with the members of your organization. Mark your calendar now, and RSVP today! The response form is on the next page. See you December 4.

Published monthly by  
INTERNAL COMMUNICATIONS COMMITTEE:

Karen Schenkenfelder, VP,  
Internal Communications  
Mary Patricia Chapin  
Barbaragail J. Danczewicz  
Phyllis Ezop  
JoAnn D. Hinz  
Katie S. Kenny  
Jane Ranshaw

Address correspondence to: Karen Schenkenfelder, 148 N. Humphrey, Oak Park, IL 60302.

## CORRECTIONS

The October issue of *The Exponent* contained an insert promoting *Working Woman* magazine and bearing the UCWBG logo. Our logo was used by the magazine without permission from the UCWBG or its board. Although *The Exponent* welcomes press releases and the Membership Committee is happy to discuss promotions benefiting members, **the UCWBG does not endorse any product.**

The October issue of *JobLines*, in the Career Connections section, incorrectly stated the former employer for Nancy Noie. Nancy's previous job was with the American Hospital Association.

**Wednesday  
December 4, 1985**

## **FIFTH ANNIVERSARY CELEBRATION AND ANNUAL BUSINESS MEETING**

Marsh & McClennan 5:30-6:45 p.m.  
34th Floor Champagne & hors d'oeuvres  
222 S. Riverside Plaza 6:45 p.m.  
Chicago Business meeting & festivities

\$6.00 Members  
\$10.00 Guests

All reservations and cancellations must be received by Monday, December 2, 1985. Thereafter, reservations will be accepted as cancellations are received. Use RSVP form or call Martie Monahan or Sue Weeks at 875-7115, then mail the RSVP form and check.

**RSVP for December 4, 1985**

### **Fifth Anniversary Celebration and Annual Business Meeting**

Name \_\_\_\_\_

Daytime phone \_\_\_\_\_

Guest(s) \_\_\_\_\_

Amount enclosed \_\_\_\_\_ (\$6.00 members; \$10.00 guests)

Send form with check payable to University of Chicago Women's Business Group by noon, Monday, December 2, to: University of Chicago Women's Business Group, Program Committee, P.O. Box 637, Chicago, IL 60690.

## Giving Credit Where Credit Is Due

by **Barbaragail J. Dancewicz**  
1985 UCWBG President

Recently on behalf of the UCWBG I attended a luncheon to discuss the possibility of establishing a credit union for professional women in the Chicago area. I must admit that prior to the meeting I had a personal prejudice against the idea. To me, a credit union was a financial entity associated with blue collar workers or non-exempt staff. In my opinion, it would not appeal to UCWBG members. But, some of the concepts expressed with the invitation were appealing, so I felt I had a responsibility to the membership to find out more.

Organizers of the meeting were the Network of Women Entrepreneurs (NWE) and the Northwest Commerce Bank (NCB). At the meeting I learned that the NCB has a division known as the Professional Women's Banking Center. A number of NWE members bank with the NCB, and it is from that relationship that the concept of the credit union has evolved.

Only sketchy information was presented about the proposed organization because it is still in conceptual development. Basically, however, it would be an organization run by women for women, and primarily interested in providing start-up money for women entrepreneurs. The NCB would not manage the credit union (CU), although it would probably have one representative on the board. NCB's interests in assisting with the formation of the CU are the hope of clearing its money and of gaining potential customers who have outgrown the resources of the CU. Also, the NCB presently has a drive-through facility with a vault standing idle. It doesn't want to lease it to a directly competing organization (a bank, S&L, etc.). Therefore, the bank will allow the CU to use the facility free for a year or so before asking for rent.

The board of the CU would include representatives from various women's organizations who are participating in it. The members in good standing of these organizations (such as the UCWBG) would be eligible to belong to the credit union. I was very impressed with the caliber of women who were at the meeting and would presumably be involved. The Chicago Women's Bar Association, National Association of Women Business Owners, Women in International Trade, Women in Advertising, and Women in Electronics were just a few of the 20 or so organizations. A number of the women present were entrepreneurs and told numerous "horror stories" of being required to have their husbands or even fathers co-sign their business loans. Many felt that there was an underlying, sometimes subtle but definitely present, sex discrimination applied to their situations. They indicated that a woman's loan being evaluated by the CU may be given more objective treatment.

All in all it was an interesting session. Unfortunately, I have no further details, but the NCB has promised to send some soon, following their meeting with a government agency that regulates credit unions. I'll update you as details arrive. Meanwhile, if any of you UCWBGers have experience with or specialized knowledge about credit unions, give me a call at 944-0595 or 782-0573. I could use your opinions and assistance in evaluating this opportunity.



## POSITIONS

**SENIOR OPERATIONS ANALYST:** Analyze and appraise operating performance of world-wide business groups. Provide executive management with independent and objective evaluation of business outlook. Position requires a highly motivated individual able to work in an unstructured environment and interface across a broad spectrum of disciplines. 3-5 years' experience required. \$40,000-\$55,000. Contact Ed Westfall, ELSKO 394-2400.

**DISASTER RECOVERY CONSULTANT:** Large downtown consulting organization. 25% travel. Salary to \$50,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**PROJECT MANAGER—STRATEGIC DEVELOPMENT:** Consumer products company. Analysis of critical business issues and the development and implementation of the resultant strategies. Marketing and some strategic planning experience helpful. Interface with both operating and corporate staff personnel. Compensation commensurate with experience. Contact Ed Westfall, ELSKO 394-2400.

**PROJECT MANAGER:** Requires data processing experience as well as portfolio/securities management background. Downtown location. Salary to \$60,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**MANAGER OF EDUCATION PROGRAM DEVELOPMENT:** Responsible for the needs analysis, design, development or procurement, and pilot tests of management education/development courses. Excellent, large employer. Training function is being revitalized and expanded; is viewed as a change agent in the company. 5+ years' related experience in industrial/corporate environments required. Salary to \$55,000. Contact Gordon Edwards, Edwards & Sowers 266-1100.

**MANUFACTURING SYSTEMS CONSULTANTS:** Major consulting firm in Downtown Chicago, 25% travel. Salaries from \$40,000 - \$70,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**MANAGEMENT CONSULTING:** Several opportunities in consulting — information systems as well as general

management consulting — with the large public accounting firms and the general management consulting firms. MBA preferred; required in some cases. Relevant experience required. Salaries to the mid \$50's. Contact Gordon Edwards, Edwards & Sowers 266-1100.

**DATA COMMUNICATIONS SPECIALISTS:** Several positions from senior level to manager. Suburban locations. Salaries to \$50,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**TECHNICAL SUPPORT REPRESENTATIVES:** Software vendors. Suburban and downtown locations. Travel. Salaries \$35,000-\$50,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**BUSINESS STRATEGY AND DEVELOPMENT ANALYSTS:** Seeking candidates with clear top general management potential and ambition, for positions at four levels (Analyst, Sr. Analyst, Project Mgr., Sr. Project Mgr.) in a leading, large consumer products company. Projects involve quantitative/qualitative analytical tasks encompassing strategic planning, business development, and mergers & acquisitions. Analyst positions require at least a bachelor's degree from a top school; Project Mgr. positions require MBA from a top school plus 3-4+ years' related experience. Salary from high \$20's to high \$50's. Contact Gordon Edwards, Edwards & Sowers 266-1100.

**CORPORATE EDUCATION INSTRUCTION MANAGER:** Conduct corporate and group/division education courses. Train line/staff managers as group leaders for courses. Monitor, evaluate and revise courses. Provide administration and coordination for courses conducted. (Same company as above.) 5+ years' related experience in industrial/corporate environments required. Salary mid \$30's to mid \$40's. Contact Gordon Edwards, Edwards & Sowers 266-1100.

**EDP AUDITORS:** Senior and supervisor-level positions available in suburban and downtown locations. Some travel required. \$35,000 - \$55,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**SALES SUPPORT POSITION:** Requires 6-12 months' CICS coding experience. Assisting sales representatives in working with prospects. Good personality necessary. Some travel. Salary to \$35,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**IMS DB/DC PROGRAMMERS/ANALYSTS:** Consulting firms, financial institutions or software vendors. Salaries \$30,000 - \$45,000. Contact Pat Pedicone, The Clayton Group 953-2299.

### CAREER MANAGEMENT COMMITTEE

Michele Hunt, Vice President	
Career Management .....	951-6202
Betsy Anderson .....	492-3370
Ellen Carnahan-Walsh .....	329-3404
Sally Hughes .....	364-8804
Katie Kenny .....	664-7200 X4559
Wendy Rosenholtz .....	321-2968
Barbara Shafer .....	641-5775

**PROJECT LEADER:** Suburban locations, requires at least one year of supervisory experience in Burroughs or IBM environment. Salary to \$37,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**PROJECT MANAGER:** Suburban locations. Requires 2-3 years' supervisory experience in IBM or Burroughs environment. Salary to \$43,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**PROGRAMMER/ANALYSTS:** COBOL, CICS, PL/1 or FOCUS. Approximately 20 positions available. Requires

2-5 years' experience. Salaries to high \$30's. Contact Pat Pedicone, The Clayton Group 953-2299.

**OS/MVS SYSTEMS PROGRAMMERS:** Suburban and downtown locations. Salaries to \$45,000. Contact Pat Pedicone, The Clayton Group 953-2299.

**IDMS or IMS DATABASE MANAGERS:** Suburban and downtown locations. Large corporations and financial institutions. Salaries to \$50,000. Contact Pat Pedicone, The Clayton Group 953-2299.

## CAREER CONNECTIONS

**CAROLYN D. AUTREY-HUNLEY, '85, staff:** New home address is 1720 N. Halsted, #301, Chicago, IL 60614.

**TERRY J. CRAWFORD, '82, XP-49:** New home address is 2929 Flossmoor Road, Flossmoor, IL 60422. New home telephone: (312) 798-4604.

**GAIL L. DUDDY, '85, 190:** New home address is 819 Lake Street, 1E, Oak Park, IL 60301.

**SHARON F. GLEICH, '88, 190:** To Associate, Booz, Allen & Hamilton, from Senior Systems Designer, Zenith Electronics Corp. New business address: 844 North Rush Street, Chicago, IL 60611, (312) 751-4584.

**SHARI R. HOLMER-LEWIS, '84, 190:** New home address is 2751 Reese Avenue, Evanston, IL 60201.

**JOANNA JWA-PARK, '83, Campus:** Assigned to be Training and Development Supervisor in Japan by Molex International, beginning November 1985 for 2-3 years. Home address: #510 2-1-11 Takanawa, Minato-ku Tokyo 108, Japan. Home telephone: (03) 445-9188. Business address: c/o Molex International, 2222 Wellington Ct., Lisle, IL 60532.

**MAUREEN KELLY, '84, 190:** To Information Systems Planning Analyst, R. J. Reynolds Industries. New business address: World Headquarters 4A, Winston-Salem, NC 27102, (919) 773-2744. New home address: 306 Winding Forest Drive, Winston-Salem, NC 27104, (919) 760-4044.

**SUSAN MOORE KITZEROW, '84, Campus:** To Profitability Analyst from Cost Accountant, Inland Steel Co., 646 Mawman Avenue, Lake Bluff, IL 60044, (312) 346-0300.

**TZU-CHEN LEE, '81, 190:** To Vice President in corporate marketing department of Crocker Bank, managing the market research and support function for the U.S. Banking and Capital Markets Group.

**KATHRYN E. NIEDNER, '81, 190:** Appointed to the Board of Directors of Recording for the Blind. New business telephone: 993-4369.

**SUSAN L. RETTIG, '78, Campus/190:** To Senior Compensation Consultant at American Hospital Supply Corporation, from Senior Manager, Employee Relations, UOP-Processes and Catalytic Systems. New business address: Executive Offices, One American Plaza, Evanston, IL 60201, (312) 866-4162. New home address: 432 S. Delphia, Park Ridge, IL 60068.

**ELAINE C. ROACH, '77, Campus:** New home address is 609 Brier St., Kenilworth, IL 60043, (312) 256-7026. Day phone: (312) 861-0200.

**ROSEMARIE E. SPRINGER, '85, XP-54:** New home address is 80 Lewis Road, Belmont, MA 02178, (617) 484-1883.

## CAREER CONNECTIONS

Please let us know if you have **moved** or **made any changes** in your career lately. Send information to CAREER CONNECTIONS, UCWBG, P.O. Box 637, Chicago, Illinois 60690, or call KATIE KENNY at 664-7200 X4559 with information.

NAME \_\_\_\_\_ CLASS YEAR \_\_\_\_\_  CAMPUS

DAY PHONE \_\_\_\_\_ AGE\* \_\_\_\_\_  190

\*Crain's Chicago Business requires age

TYPE OF CHANGE:  CHANGED JOBS  
(Include old and new title,  PROMOTED  
company, and other  APPOINTED TO BOARD OF DIRECTORS  
background information.)  RECEIVED AWARD/RECOGNITION  
 OTHER (moved, started a new company, etc.)

Please indicate any changes to home or business address/phone.

HOME \_\_\_\_\_ PHONE \_\_\_\_\_

WORK \_\_\_\_\_ PHONE \_\_\_\_\_

THE UNIVERSITY OF CHICAGO WOMEN'S BUSINESS GROUP  
P.O. BOX 637, CHICAGO, ILLINOIS 60690  
**1986 MEMBERSHIP QUESTIONNAIRE**

Membership extends from January 1 to December 31. The membership fee is \$45. Mail this questionnaire and the membership fee to the Membership Committee at the above address. Thank you.

**1. MAILING LIST AND DIRECTORY:** Please type or print clearly to avoid errors in our directory!

Name: \_\_\_\_\_  
Class Year: 19\_\_\_\_\_  
Program:  Campus  190  Exec  UC Staff  
Home Address: Street \_\_\_\_\_ Unit # \_\_\_\_\_  
City: \_\_\_\_\_ St \_\_\_\_\_ Zip Code \_\_\_\_\_  
Phone: \_\_\_\_\_  
Title: \_\_\_\_\_  
Employer: \_\_\_\_\_  
Business Address: Street \_\_\_\_\_ Unit # \_\_\_\_\_  
City: \_\_\_\_\_ St \_\_\_\_\_ Zip Code \_\_\_\_\_  
Phone: \_\_\_\_\_

**2. MAILING ADDRESS:** Where should mail be sent?  Home  Business

**3. DO YOU OWN YOUR OWN BUSINESS?**  Yes  No

**4. PROFESSIONAL INDEX:** From the list below select the *one number* that best describes your current *functional* occupation. To enhance our networking, we need to know what you do, not necessarily what your company does. The number that best describes your functional occupation is \_\_\_\_\_.

- |  |   |                                    |
|--|---|------------------------------------|
| 1. Accounting/Auditing                   | 11. Engineering                                 | 21. Marketing/Product Mgmt.        |
| 2. Advertising                           | 12. Finance Planning-Personal                   | 22. Operations Research/Statistics |
| 3. Banking-Commercial                    | 13. Financial Planning/Investment-<br>Corporate | 23. Printing/Publishing            |
| 4. Banking-Investment                    | 14. General Management                          | 24. Public Relations               |
| 5. Banking-Personal                      | 15. Health Services/Hospital Mgmt.              | 25. Research & Development         |
| 6. Communications/<br>Telecommunications | 16. Human Resources                             | 26. Retailing                      |
| 7. Consulting                            | 17. Journalism                                  | 27. Sales                          |
| 8. Data Processing                       | 18. Law   | 28. Software Development           |
| 9. Economics/Econometrics                | 19. Manufacturing/Production                    | 29. Strategic Planning             |
| 10. Education                            | 20. Market Research                             | 30. Venture Capital                |
|  |   | 31. Other _____                    |

**5. ATTACH A RESUME:** If you would like the Career Management committee to be aware of your background and qualifications, please attach a current resume. Write in any special points or updates on the back. Be sure to include any special certifications, degrees or awards that you have received.

**6. PROMOTIONAL MAILINGS:** Your name may be used for mailings of promotional material other than *The Exponent* (our newsletter). Please tell us if you would like your name withheld from the mailing list for such items.

## **Employers Rate Business Schools**

The October 11 issue of *The Wall Street Journal* reported ratings of business schools from a survey of executives at national companies that hire MBAs. Executives at 250 companies received questionnaires; 134 responded. The respondents ranked schools that they have worked with, rating them on the basis of producing the best MBA graduates. The top five schools, in order, were: Northwestern, Pennsylvania (Wharton), Harvard, Columbia, and Chicago. According to the *Wall Street Journal* article, most respondents based their choices on graduates' on-the-job performance.

## **MEMBERSHIP RENEWAL**

Join us for another outstanding year in 1986! UCWBG needs people like you to keep it growing and vibrant.

A renewal questionnaire is enclosed. A special five-year anniversary gift has been prepared for those renewing or joining by December 31st.

## **Workshops Offered for Personal and Professional Development**

Chelsea Associates, a management development firm, has scheduled several workshops for working professional women. All workshops last one day and will be held on weekends at the Hyatt Regency O'Hare Hotel. "Lifestyle Management," which addresses the issue of balancing personal and professional life, will be held on November 2 and December 7. "Increasing Interpersonal Effectiveness," aimed at teaching methods for working and communicating with others, will be held on November 9 and December 14. "Enhance Your Organizational and Personal Power," a workshop intended to help women understand how to get and use power successfully, will take place on November 23. The registration fee for each workshop is \$85, which includes lunch. For more information, contact Chelsea Associates, P.O. Box 421, Prospect Heights, Illinois 60070 (312/459-4942).



THE UNIVERSITY of CHICAGO  
WOMEN'S BUSINESS GROUP  
UCWBG • P. O. Box 637 • Chicago, Illinois 60690



## MANAGING CHANGE:

*continued from page 1*

**Balance and Strength.** When Hefner became president of Playboy Enterprises, the company relied disproportionately on one source of income. While the company had enjoyed seeing a bottom line that looked good, problems were bound to arise. A healthier situation is one in which all operations contribute to profits, and in fact that was the case for Playboy Enterprises in 1985.

**Flexibility and Opportunism.** Playboy Enterprises is just now becoming ready to confront issues of its ability to seize opportunities. The focus for the company is on market segmentation. Later, in response to a question, Hefner said some of the product lines the company is considering expanding into are other magazines; the electronic, film and video area; and software.

In addition to discussing these four issues, Hefner noted that the most important things she learned in college were intellectual curiosity and the ability to communicate. She considers these to be more important than business courses.

In response to a question about how she can manage her many executive responsibilities and still have a social life, Hefner agreed that it was in fact difficult, though she feels her social life is healthy. Having a boyfriend in California means that expectations for time together are relatively low, and her position at Playboy is one in which she doesn't have to impress others with the number of hours she puts in. She concluded by stating the hope that women will take a cue from the idea that a person only concerned with work is not the best worker.