

But the house was such a sweet deal. A real bargain. Judith knows a bargain when she sees one, especially in houses. She is a real estate agent. This year she closed three deals. All involving other agents, so her share was abysmal. The last one she closed last week. Six hundred and eighty-seven dollars. That's why she is now in New York.

The flight and the hotel are about six hundred. Not a chance she will spend only eighty-seven dollars, and our credit lines are stretched to the limit. Maybe we should have another little talk? I shiver. Better not.

Chapter 5

B.J. looks out her office window. The campus is particularly beautiful at this time of year, when the trees are so colorful and the students, once again, fill the university with young life.

Less than a hundred yards away is the main entrance to the impressive complex of the business school. She watches Dean Page hurrying down the broad steps. He's heading straight to her office. It's not going to be a pleasant conversation.

B.J. pours the tea, and using silver tongs she neatly transfers two lumps of sugar and hands the cup to her guest. She doesn't need to ask, she knows what he likes; she knows him inside out. She has to. He is a very important player in her game.

"I'm sure you liked it," he gestures toward the general direction of her mammoth mahogany desk. He doesn't mean the desk. He's alluding to his thick, bound document, now resting there.

"For the most part," she smiles.

He is slightly older than she is, and dressed as elegantly. A few years ago his dress code was quite different; sneakers, open-necked shirts, nylon Windbreakers, a professor who liked to

blend into the academic environment. No more. Not since he reached the position he always wanted. He won by a narrow margin, but now his position is secure. The business school is his fortress. Professor Christopher Page II intends to stay the maximum term as dean. Maybe even to change the rules that define that maximum.

It's their informal meeting to discuss the business school's proposed budget for next year. They both prefer to hammer out their differences in private much before the budget is formally due. Not that Christopher Page is expecting any difficulties. His proposed budget is what B.J. would expect. The same fifteen percent or so increase from year to year, no surprises. Of course, they'll have to go through the ritual; she will ask for a cut, he will resist, in the end they'll compromise. He even knows on which items. He suspects B.J. knows as well.

"Let me tell you a story," B.J. softly says. "My first job was in a small private university in the Midwest. It was not always a small university. As a matter of fact, about twenty years before my time, it was quite large. Do you know what happened there?"

"No idea," he answers, wondering how she is going to tie it to a demand to cut his budget.

"They had a flourishing agricultural school," she continues in her soft voice. "They allowed it to grow about ten percent a year. It grew and grew, and with it, using your terms, the fixed assets grew: the number of classrooms, number of laboratories, number of tenured professors."

"And then . . ." Page says out of politeness.

"And then, agriculture did not need so many graduates anymore. Naturally, registration of new students dropped and fewer were eager to continue on to higher degrees. But the burden to maintain the buildings remained, and the need to pay the salaries of professors with tenure remained."

"It happens," he calmly comments, "in agriculture." B.J. doesn't allow his comment to distract her. She hasn't yet finished her story. "The impact was not restricted to the agricul-

tural school alone," she clarifies. "The financial burden was high enough to mandate a drastic cut throughout all the other schools. Some say it was a miracle that the university was not bankrupt."

She pauses. He doesn't comment.

"You don't think that it can happen to us?" B.J. inquires.

"Definitely not," Page dismisses the idea.

"Why?"

"One cannot compare agriculture to business," he says conversationally. "You don't need a university degree to succeed in agriculture. In that field there is no external pressure that forces people to go through higher education."

"And in business there is," B.J. encourages him.

"Without a doubt. Today, if you want to climb the corporate ladder you must have an MBA."

"Good for us," B.J. agrees.

Page is a little disappointed. He expected more decisive arguments from B.J. That's not the way to alarm him enough to voluntarily cut his budget.

"Chris," she continues, "there is another field that forces people to go through higher education. Lawyers must graduate from a university. Moreover, in law it's not an option, in business it still is."

Never underestimate her, he reminds himself, and aloud, he says, "I don't see the relevancy."

"I spoke with Paul Dimmers yesterday. You know him?"

"Quite well." Page is starting to dislike the direction their conversation is taking.

"They are facing a real problem, he told me. New student enrollments at their law school are less than half compared to three years ago."

Christopher Page examines her face. He cannot decipher anything. Impossible to figure out. Is she aiming at next year's budget, or at something much larger? There weren't any warnings. Maybe this is B.J.'s way of warning him? He decides to stop

brushing it aside. At least until he can find out where B.J. really stands.

"How does Paul explain the drop," he inquires noncommittally.

"That's the interesting part," she answers. "It looks like they were talking about it for quite some time. If we had a law school in our university, no doubt we too would have heard about it before."

Page barely stops himself from saying, "Well?"

"Being a lawyer became a real fad," she starts to explain. "No wonder, considering the base salaries that were being offered. There was a flood of young people wanting to be lawyers. The schools ballooned. Almost a replica of the story I told you about my old university."

Page doesn't have any difficulty seeing how she intends to build the parallels to his business school. It's much more serious than he thought. She's not aiming at the present, she's questioning the foundation upon which his long-term strategy is built.

"You can figure out the story from there," she says. Nevertheless she continues; it's clearly important to her that it be verbalized. "Those many new students, after a few years, turned into many new graduates. So many that they outstripped the demand."

Page now has had enough time to figure out his response. First he must demonstrate to B.J. that he does understand her concerns, and then he must convince her to drop them.

So, without hesitation, he says, "Not all new law graduates could find a decent job. The word started to spread around and the number of applications of new students dropped."

"Quite so," B.J. agrees.

"Nothing to worry about," Page says in his most authoritative voice. He lays down what he considers his trump card. "We are far from saturating the demand for new MBAs."

It doesn't work. B.J. is not impressed. "Isn't the growth in enrollment at our business school the smallest it has been in years?"

"A temporary phenomenon," he dismisses it. "Nothing to worry about."

"Maybe," she says thoughtfully. "Maybe not."

Page cannot afford to leave it like this. "B.J., how can I put your mind at rest about this?" He signals that he is ready for business.

"I'm not concerned with the immediate future," she responds. "My nightmare is to be stuck with an expensive burden that will be almost impossible to trim. For example, you are budgeting for tenure for eight more professors. If push comes to shove such decisions may kill us. What about putting a freeze on all tenure, at least until the situation becomes clearer?"

"No, B.J., that would be a mistake. We need these people. If we don't give them tenure now, we have to let them go. Think of the implications. Think of the shock wave it would send. I understand your concerns, but, in my opinion, there is no reason for alarm. Definitely no reason for such drastic actions."

"Delivering some message is appropriate," she insists.

He knew that eight new tenure appointments would not fly. It was worth a try. "Maybe you are right," he smoothly bargains. "Maybe we should send a signal. The departments should not take us both for granted."

She waits for his proposal.

"I guess we could accept only six," he offers.

To his surprise she is not willing to counter-offer his number. "I'm still worried that what is happening in law schools can happen in business schools," she insists. "What are you suggesting we do about the possibility of a change in the trend?"

Page tries his usual tactic. "I'm not suggesting we dismiss it," he comforts her. "Not at all. We should think about it. Examine the probabilities. Do some research."

"Exactly right," she sails along. "Do we agree that the first, decisive indications will appear as the ability of graduates to get jobs?"

"I guess so," Page answers coldly, thinking about this new angle.

"Do we have to wait until it will not be easy for MBA graduates to get a job that matches their initial expectations?"

"When that happens I agree that the alarm bells should go off. But we are so far from it. Actually, I wonder if such a time will ever come."

Her way of arguing is to say, "Don't you think that as the two people with the responsibility we should monitor the situation?"

"Good idea." He starts to see how he can drag the issue to a committee, where it can be buried for good. "How do you suggest monitoring it?"

"Three years ago the school of business made a broad-scale survey among our graduates. They used the results as a promotional tool to encourage more enrollment."

"I initiated it," he says proudly. "It worked very well. And I do agree with you, we have to repeat the survey. Every year. That will enable us to hold our hand on the pulse of things. I'll initiate a committee to handle it. Right away."

She gently smiles at him. He tries hard to maintain his "collaborative" expression.

"We don't have time for committees, Chris." Before he can object, she turns around and walks to her desk. "Here are the results of our new survey. I think you'll find it interesting. Even quite alarming. But once you study it, I'm sure you'll agree with me that we have to put a total freeze on granting more tenure."

"First I'll read it, then I need time to evaluate, then we'll talk." Page tries to get back his balance.

"We definitely will. More tea, Christopher?"

Chapter 6

I enter the classroom. It's still noisy, not all the students are sitting yet, but on my table there is a pile of papers. I arrange them into a neat stack, and skimming through them, pick the one that looks the most professionally organized. "Fred Romero," I read aloud the authors name. The class quiets down.

I keep on reading, "Project title: New production facility in Malaysia."

"May I say something?" Fred asks.

"Certainly."

"This Malaysian project is not one that I'm involved with. I deliberately chose this project because for the projects I'm involved with, I already have some strong opinions about why things are the way they are."

"And you want to present an objective evaluation. Good thinking." And I continue to read from his report, "Project status: the Malaysian plant should have been fully operational eight months ago. Currently machines are installed in all depart-