

Feature Distinguished Alumni Awards

Tao Huang, '99 (XP-68)



Rick Steiner, '70



Richard Teerlink, '76 (XP-36)



A Successful

Andrew Alper, AB '80, MBA '81



Approach

The 2004
Distinguished
Alumni Awards

They took different paths to the top, but each winner achieved the kind of success that is a hallmark of Chicago GSB. →

By Patricia Houlihan Photos by Matthew Gilson

Feature Distinguished Alumni Awards



From Private to Public

by Patricia Houlihan

For a man who draws a salary of only one dollar per year, **Andrew Alper** couldn't be happier with his job. President of the New York City Economic Development Corporation since February 2002, he's charged with revitalizing the city's financial health in the wake of the September 11 attacks.

Spending two decades on Wall Street gave Alper a sharp eye for the bottom line, but life at the EDC presents a different challenge. "There's a three-dimensional chess aspect to it because to get things done, you need political support," he said. "You can be slowed down by an elected official for reasons often unrelated to your project. But when you figure out how to unlock

the code to get an important project done, it can be very satisfying."

His success at the post has earned Alper, AB '80, MBA '81, the 2004 Distinguished Public Service/Public Sector Alumni Award. He has managed to keep such big tenants as Merrill Lynch, American Express, and Deutsche Bank from leaving New York and persuaded the Bank of New York to

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Five Minutes with Andrew Alper, AB '80, MBA '81

What has been your greatest achievement?

Taking the client-relationship, analytical, and management tools I learned over two decades on Wall Street and applying them to New York City government. We've changed the nature of the relationship between city government and the business community here.

What has been your most humbling experience?

When I was a brand-new partner at Goldman Sachs, I'd been a generalist and I was moved to the financial institutions group. I remember being described by the partner who ran the group as "the world's highest-paid trainee." More recently, I was at city hall discussing the city budget. I must have had a baffled look on my face, because [deputy mayor] Dan Doctoroff leaned over and said, "You're not at Goldman Sachs anymore." Any time you change jobs or functions, it's humbling. It's also when you most highly value your education.

What do you wish you had known at the start of your career?

That you shouldn't worry too much about what other people around you are doing, and that there's very often an inverse relationship between how good people sound or look and how well they're actually doing. It's easy to get distracted by flash over substance.

What is one thing most people don't know about you?

I have an enormous dislike of politics, worse now that I've seen it up close! I've always disliked office and professional politics. The more you see of it, the more you wonder how democracy has survived as long as it has.

If you had to pick another line of work, what would it be?

I might have been a meteorologist. My favorite course in college was meteorology, taught by Theodore Fujita, who named the tornado scale. His passion for his subject was totally infectious. On the other hand, meteorology is unpredictable, essentially dangerous, and ever changing, so I'm not sure it would be that much of a job change for me.—P.H.

move some employees to Brooklyn when the bank redistributed its Manhattan workforce after the attacks. “We’ve made an effort to get to know companies—which we call clients—that are big taxpayers and big employers,” Alper said. “We figured out how we could add value to their businesses to encourage them to grow in New York, and that’s been quite successful.”

Despite the growing list of accomplishments at the EDC under his direction, Alper did not seek out the job and never considered a career in public service. As an undergraduate student, he was accepted into the Professional Options Pro-

development. I’m not sure entirely what it is, but would you at least talk to me about it?” I told him, “Look, I don’t want to leave Goldman Sachs, and I don’t want to go into government.” But I have enormous respect for Dan, so we talked.

“What I became convinced of was the opportunity to work with a mayor who owed no political favors to anybody and who wanted to make an impact without regard to short-term polls. Combine that with my respect for Dan Doctoroff and the opportunity to give back to the city after September 11 and make a huge impact that is unprecedented. The more I thought about it, the more excited I got.” One evening over the Christmas holidays, Alper met with Bloomberg’s transition team, then with the mayor himself the next morning. The following day, Bloomberg offered Alper the job and he accepted on the spot.

At the EDC, a nonprofit corporation that acts like a city government agency but with greater decision-making flexi-

bility, Alper manages a staff of 350. “We spent a lot of time the first year in hiring the right people and getting them to work together in a team,” he said. “We’ve also developed a strategy that would allow us to make the maximum impact on New York’s economy.”

The EDC’s approach has been successful, Alper said. “We’ve changed the relationship between city government and the business community.”

Alper can point to concrete results. Citigroup opted for Long Island City over New Jersey to build a new building, and budget airline Virgin America recently picked New York for its corporate headquarters over Boston, Washington DC, and San Francisco, Alper said. JetBlue, another budget carrier, is located in New York, as well. “There’s a certain irony to the fact that we were able to convince two very smart businesspeople to start low-cost airlines in New York City, convincing them that we’re not low cost, but we are high value.”

Helping to redevelop the site of the former World Trade Center is one of many projects on Alper’s list. “We have to rebuild lower Manhattan, but we’re not doing the right job for our citizens if we don’t focus on all five boroughs and diverse opportunities for our diverse population,” he said.

Alper, who serves by mayoral appointment, has no plans to head back to Wall Street. “The job is enormously interesting, challenging, and rewarding,” he said. “I feel very fortunate.” ■

“We’ve changed the relationship between city government and the business community.”

—Andrew Alper

gram and began business school in his fourth year. Alper spent his summer internship at McKinsey in Chicago and intended to become a consultant there after he earned his MBA until a roommate convinced him to interview with other firms, including Goldman Sachs.

“McKinsey said, ‘You can join us now or later,’” Alper said. “Goldman Sachs said, ‘It’s now or never.’” Alper decided to try Goldman first. He stayed for 21 years, rising through the ranks to become not only a partner and managing director, but also chief operating officer of the investment banking division worldwide.

Comfortable in his career, Alper had no thoughts about leaving Wall Street. But in 2001, he received a phone call from Dan Doctoroff, JD ’84. They had first met in the 1990s when Alper was selling insurance companies for Goldman’s financial institutions group and Doctoroff was buying them for a private equity firm. The situation could have been acrimonious, but, Alper said, “We were both trying to find solutions instead of putting notches on our belts, and we developed a lot of respect for each other.” Doctoroff had been named deputy mayor for economic development and rebuilding by New York mayor Michael Bloomberg, and when Doctoroff needed someone to head the EDC, he thought of Alper.

“Dan called in November and asked if I’d consider taking the job. And I said, ‘No. What is it?’ He said, ‘It’s economic



One Step at a Time

by Patricia Houlihan

By the time **Tao Huang** left China for the United States in 1987, he had already earned a bachelor's degree in computer science from Hunan University and spent four years helping develop the database for the first personal computer for use in China. When he won an award to study in the United States for one year, he saw it as his chance to learn to speak English.

It turned out to be the first step toward a long career at Morningstar. "You need to know where you're going, and you need to know your first step," he said. "You don't need to know your second step before you take your first one."

That approach helped Huang, '99 (XP-68), become chief operating officer at Morningstar, one of the nation's top consumer investing Web sites, before the age of 40. His rise from software developer in 1990 to top management also

has earned him the 2004 Distinguished Young Alumni Achievement Award. Huang says he found a good fit at Morningstar, where "it's OK to make mistakes as long as you learn from them. You're encouraged to take chances, to show people what you can do. And if you perform one task well, you take another job that's very different."

Huang has been taking chances and meeting with success since 1987, when he chose to study at tiny St. Norbert

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Five Minutes with Tao Huang, '99 (XP-68)

What has been your greatest achievement?

I enjoyed starting Morningstar's international operation and getting it done in such a short period of time with many things getting in the way. I feel proud that we built a good international operation and it's still growing. Many computer operations began very quickly, but they also failed very quickly.

What has been your most humbling experience?

When I was 16, I participated in a national mathematical competition. I was one of about 500 kids in it. It turned out I was number one in our school. Then I found out I got 16

points out of a possible 150 points! That was the first time I realized that there are a lot of people so much smarter than me. That teaches a pretty good lesson.

What do you wish you had known at the start of your career?

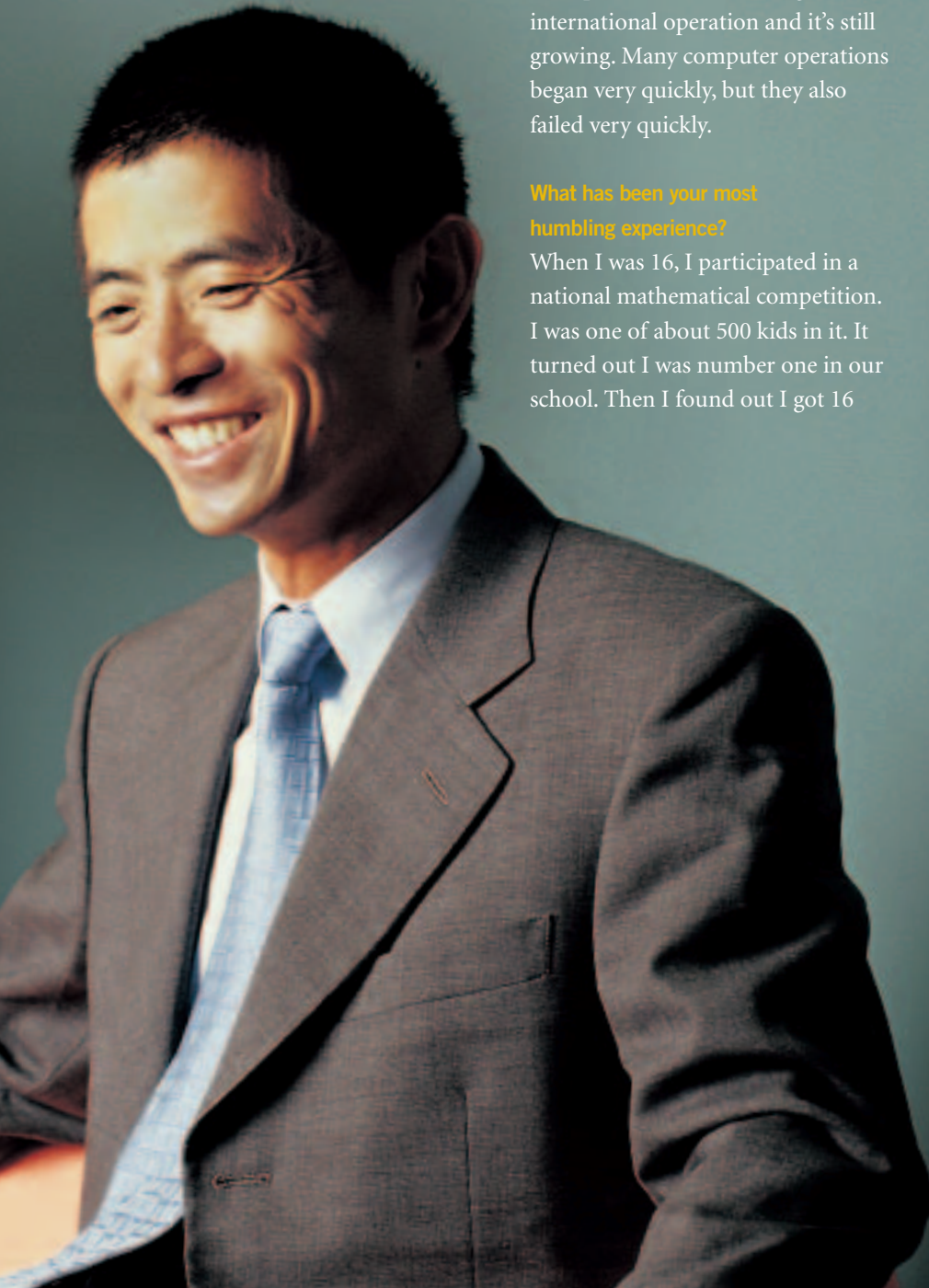
I should have gotten my MBA earlier and known the business arena. I really feel that in my earliest days, my focus was too narrow. If I had to relive it again, I probably would try a few more things. I stuck with technology too long. I wish I had known more, especially as a foreigner who never had the benefit of growing up in this country and knowing the culture and how people interact with each other.

What is one thing most people don't know about you?

I don't know! I thought about it, and I really don't know the answer to this one.

If you had to pick another line of work, what would it be?

I don't have a particular one. I very much like to solve complicated problems. I could be a great operational manager at a manufacturer. I think very logically. I could have a good experience, probably better than most people. I can draw very clean lines out of something very complicated.



College in De Pere, Wisconsin. “I could read and understand English, but I couldn’t speak a word. I picked a place where I had no choice but to speak English,” he said. “There were 1,700 students. I was the only Chinese one.”

Before the year was up, Huang had secured a scholarship at Marquette University, where he earned a master’s degree in computer science. “By that time, my language skills had improved,” he said. After graduating, he took a job with a consulting firm but quickly realized he wanted a different environment—a place where he could distinguish himself. “I wanted to make a difference,” Huang said. “If you’re one of 30,000 employees, I doubt you can do that.”

“If you want to be successful,
what’s important at the end of the
day is not what you’ve proposed,
it’s what you’ve accomplished.”
—Tao Huang

In 1990, he answered Morningstar’s newspaper advertisement for programmers, interviewing with chairman, founder, and CEO **Joe Mansueto, AB ’78, MBA ’80**. “Joe said he wanted me to develop mutual fund analytical software based on CD-ROM technology,” Huang recalled. “At the time, I had never seen a CD-ROM. I didn’t know the particular technology, and I didn’t know anything about investing except what I’d read in a book.” Intrigued, Huang took the job.

Morningstar’s product—an easy-to-follow analysis of mutual fund performance and holdings—was an enormous hit. Huang was promoted to technology manager and led several more developments such as launching the company’s first Web site. In 1995, he was named a member of Morningstar’s executive committee, and in 1996, he became chief technology officer. He began taking on extra projects in other areas, including product development and international operations. “I always enjoyed the fact that at Morningstar, you always get a new challenge,” he said. “I have worked in many different areas.”

But by 1998, Huang wanted a change. “I didn’t want to be just a tool maker. I didn’t have enough knowledge or the kind of foundation to make a difference. I decided I didn’t want to be CTO anymore, so I became a student in [Chicago GSB’s Executive] MBA Program.”

At the same time, Morningstar began a significant expansion overseas, and Huang was picked to open offices around the world, starting with a joint venture in Japan with Softbank. “It was interesting working with lawyers, doing a joint agreement, working with a Japanese partner, starting from scratch,” he said. “And it all happened quickly, in about eight months.”

Between 1998 and 2000, under Huang’s leadership the company also bought firms in Canada and Australia, started joint ventures in Hong Kong and Korea, and started a wholly owned subsidiary in Europe. “Within about two years, we expanded our international operation from nothing to 250 people,” Huang said. And while expanding the business internationally, he continued to oversee business development and technology as well as work on his MBA. “It was a very intense 12 months,” he recalled.

In 2000, Huang was named COO, which requires managing Morningstar’s day-to-day operations. The firm has seven division managers who report to him. “I’ve had a chance to work on most of the operations here, and sometimes I know more than the manager does because of my own experience,” he laughed. “What probably makes a difference is that each of the senior tech managers has worked with me very intensively for three years, five years, 10 years. We’re a team that’s worked together for a long time.”

Still, Huang said, he never sought out a role in senior management, and holding a top post is not what drives him. “I don’t think the position you hold or the work you do defines who you are,” he said. “I never asked for a particular job. They would ask me to take on something new, and I’d think, ‘Is it interesting? Is it a challenge? Can I contribute?’ What I enjoy is being part of building a product and seeing people use it.”

Huang has accomplished much by taking one step at a time. “If you want to be successful, what’s important at the end of the day is not what you’ve proposed, it’s what you’ve accomplished.” ■



A Good Bet at the Box Office

by Patricia Houlihan

When **Rick Steiner** finally got a shot at becoming a Broadway producer, he was ready. He had never done anything like it before, but his experience in marketing, entertainment, investing, and poker playing turned out to be the perfect background.

His first production, *Big River*, went straight to the top in 1985, winning seven Tony Awards. Shows that followed earned Tony nominations and a Grammy. But nothing prepared Steiner, '70, for the success of *The Producers*, which won a record-breaking 12 Tonys in 2001 and became the biggest financial success story on Broadway, with \$40 million in advance ticket sales and a weekly gross of \$1.1 million.

Steiner's highly successful approach to theatrical production has earned him the 2004 Distinguished Entrepreneurial Alumni Award. "Producers act

as the board of directors. And each production is a different capitalization, so it's a different partnership," he said. "It's fascinating from a marketing standpoint of selling something that nobody knows about, with a limited budget. Every show is different, and all the component parts are different—how to get your message out, and who your target audience is, and *is* there a target audience?"

Steiner had no inkling he would become a theatrical producer, but he was preparing for the role from his earliest days. As a child, he performed in summer stock, began playing poker

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Five Minutes with Rick Steiner, '70

What has been your greatest achievement?

I have three. One is surviving myself, because I'm accident prone. Another is my two sons, Ace and Duke. Third is my perseverance. I have chaired and arranged all of our high school class reunions. We threw a class 50th birthday party, at which time I was elected class president for life. It only took me 32 years.

What has been your most humbling experience?

At my summer home in Bemidji, Minnesota, I go outside when the kids are asleep and look up at the stars. I see how vast it is, and I realize how little and how short our time is.

What do you wish you had known at the start of your career?

I wish I had known I was going to have one! Between rehearsals for *Big River* and when we won the Tonys, I lost 25 pounds. I couldn't eat, couldn't sleep. I vowed I'd never [produce a Broadway show] again. The *New York Times* review was mixed. I took it all personally. But I wish I'd known then how much fun it was going to be, and how the critics can't hurt you after the first time.

What is one thing most people don't know about you?

I'm value oriented. As a kid, I had this humongous collection of baseball cards, like early Mickey Mantle. And when I was away, my mother threw them out. I didn't have insurance on what she did. So I guess I learned that it's important sometimes to have insurance. And that sense of value, you should hold onto it.

If you had to pick another line of work, what would it be?

I'd love to be a stand-up comedian. I also would like to have run a boys' camp, like Camp Thunderbird in Bemidji, where I met my friend Rocco Landesman. Third, I'd like to be managing director of a major league baseball team.

in fourth grade, and had made his first investments in the stock market by the time he was in junior high. Steiner earned a bachelor's degree from the University of Wisconsin at Madison in 1968. His brother, **Corky Steiner, '67**, had earned his MBA at Chicago, and Steiner's father suggested Rick get an MBA, too. "My dad and I were very close, and I trusted his judgment," Steiner said. It wasn't an easy fit. "My background was in labor economics, and there was nothing quantifiable about it," he said.

After graduation, he quickly realized he wasn't cut out for corporate life. Instead, Steiner got the rights to open the first video theater in Boston. It was successful, but he ran out of

Tonys in 1985 and won seven, including best musical. "We had to petition to get the category for best musical included that year," Steiner said. "If we hadn't won, none of us would be producing again. But we were good, plus we caught a weak field. And we were launched."

Steiner and Landesman followed that success with Stephen Sondheim's *Into the Woods*, then *The Secret Garden*, both of which won Tony nominations for best musical. Their next production, *Smokey Joe's Cafe*, earned them another Tony nomination and won the 1996 Grammy for best musical show album. It also became Broadway's longest-running musical revue. In 2001, Steiner and Landesman scored their biggest hit ever after they convinced Mel Brooks to let them produce *The Producers*, which went on to win 12 Tony awards.

Steiner produced his first drama after that, succeeding again with *Topdog/Underdog*, a drama about sibling rivalry between two young African American men. It won a Pulitzer Prize and two Tony Award nominations. In 2002, Steiner produced the Broadway musical *Hairspray*, which won eight

Tony Awards, and followed it in 2003 with another hit, *Little Shop of Horrors*. Touring companies are currently performing the three musicals in the United States and abroad.

"I've been very lucky, being at the right place at the right time," Steiner said. "It's a collaborative effort, and I trust my coproducers, the ones I know best, like Rocco." In fact, friends have played an enormous part in Steiner's success; he says he has "kept friendships forever." To finance his first show, he said, "I went to poker players who understood risk and immediate return and were willing to risk money. It didn't hurt that my friends were rich, or that the people I played poker with had money. It didn't hurt that they liked me," Steiner said. "It also didn't hurt that I was able to persuade people to invest in what was obviously an incredibly risky venture. So that's what I did."

Each show Steiner has produced has been a success, commercially and critically. "I make mistakes, but most of them you don't hear about because we abort before we get to Broadway," he said. "You have to check your ego at the door." ■

"Producers act as the board of directors. And each production is a different capitalization, so it's a different partnership."
—Rick Steiner

material. A series of jobs followed: in marketing at a cable TV company, raising money for U.S. Senate candidate Howard Metzenbaum, even selling medicated tropical fish food and, after that, T-shirts on the carnival circuit. He obtained his brokerage license and began trading on his own, then gave everything up and just played poker, culminating in winning an event in the World Series of Poker. An acquaintance recommended investing in Chi-Chi's restaurants when the chain was still a start-up, which later made Steiner "an enchilada millionaire."

Bouncing around didn't bother him. "My dad was my biggest influence, and he told me to have a good time, not take yourself too seriously, and do what you want," he said. "After what happened with Chi-Chi's, I realized I was more valuable keeping my eyes open and looking for opportunity, wherever and whatever that is."

The next one changed Steiner's life. His childhood friend Rocco Landesman and Rocco's wife, Heidi, came up with the idea of asking country music singer Roger Miller—best known for "King of the Road"—to compose a Broadway musical based on Mark Twain's *The Adventures of Huckleberry Finn*. The result was *Big River*, which was nominated for 10

Feature Distinguished Alumni Awards



The View from the Shop

by Patricia Houlihan

By the time **Richard Teerlink** became CEO of Harley-Davidson, he had tested his management theory numerous times. “Try to get employees to really *want* to do what they’re doing. Because when they do, the results are amazing. Otherwise, the standard of performance becomes ‘good enough.’ And by the way,” he said, “CEOs are employees, too.”

It’s a philosophy he learned from his father, a Dutch immigrant who owned his own tool and die business. “My father believed very strongly in communicating with the people who really do all the work,” Teerlink said. “They’re usually the ones without titles.”

His ability to apply those ideas to the foundering Harley-Davidson in the 1980s helped save the motorcycle giant from bankruptcy and paved

the way for future success, an effort that has earned Teerlink, ’76 (XP-36), the 2004 Distinguished Corporate Alumni Award. “I never had any doubt about whether Harley would survive, because the people inside the business have a lot of passion for the company, and the people outside have a lot of passion for the product,” he said. “All we had to do was provide them with products that worked and an opportunity to have fun.”

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Five Minutes with Richard Teerlink, '76 (XP-36)

What has been your greatest achievement?

Participating in the turnaround and subsequent success of Harley-Davidson. Notice I said “participate”!

What has been your most humbling experience?

Recognizing that real leadership is more than just telling people what to do. It's trying to influence their behavior, not by the power of the title, but by the power of the idea. Because I grew up like everyone—with command and control. When you get the title, hey, you tell people what to do. And then I realized that that really didn't get a lot done.

What do you wish you had known at the start of your career?

I guess I thought, but didn't know for sure, that my career is a journey that I cannot lay out myself. That it's an opportunity, and what I really have to do is to learn and be prepared. And so prepare yourself for the next job. Don't demand the next job. If you're prepared, someone will find you. We learn a lot from real life experience, much more than from book learning.

What is one thing most people don't know about you?

I don't know. If I knew, I wouldn't be able to tell! What people don't know varies by how they know me. There are some people who say I'm very laid back. There are some other people who say, “Don't cross him.” I guess I have a variety of personalities.

If you had to pick another line of work, what would it be?

Early in my life, I thought the cool thing to do would be to manage five small jazz groups, even though I can't play or sing. But I enjoy the music. The other thing I might have been interested in doing was work in the not-for-profit sector. I think you could get a lot of satisfaction out of it in that you're more directly serving others. You see the impact—not as an executive director, but working with people.

Teerlink earned an undergraduate degree in accounting in 1961 from Bradley University in Peoria, Illinois, then spent more than 10 years with manufacturers Miehle-Goss-Dexter and Union Special Machine Company before enrolling in the GSB's Executive MBA Program. "I was getting experience, but I wanted to build on that with knowledge," he said. After earning his MBA, Teerlink worked for two other manufacturers, RTE Corporation and Herman Miller. "I've always been lucky to be recruited," he said. "It always amazed me. And ultimately, I ended up at Harley, and at Harley, I found a home."

Harley-Davidson hired Teerlink as vice president and CFO in 1981 during the motorcycle manufacturer's darkest hour.

"I never had any doubt about whether Harley would survive, because the people inside the business have a lot of passion for the company, and the people outside have a lot of passion for the product." —Richard Teerlink

The company was in the midst of a leveraged buyout. Low-priced Japanese bikes were flooding the market, providing fierce competition, and the quality of a Harley-Davidson had sunk so low that, as Teerlink often jokes, Harley owners bought two—"one to ride and one for parts."

To save Harley-Davidson, executives agreed, it would take dramatic measures. In 1982, the firm laid off 40 percent of its workforce. "We had too many people. We weren't efficient," Teerlink said. Top management also decided to reshape the corporate culture. Over a decade, they threw out the standard management practice of command and control from the top down and replaced it with collaboration. Ideas came from executives as well as union management but also went under review by employee groups at the shop floor level, who pointed out aspects that might not work. When Harley needed to build a new plant, the International Association of Machinists and the United Paper Workers International Union joined discussions about site selection and design.

As a result, the company that lost \$15.5 million making 32,400 motorcycles in 1982 earned \$333 million crafting more than 150,000 bikes in 1998.

Teerlink eventually took the top leadership post. He was elected to the board of directors in 1982. In 1988, he was named president and chief operating officer. In 1989 he was elected CEO, and in 1996 he added the title of chairman to his record. But more than Teerlink's leadership, he said, it was Harley-Davidson's management team that made the company come roaring back to life. "We had a very strong management group at Harley," he said. "While I was CFO, if I needed help from someone in manufacturing or from the CEO, we'd work together to solve the problem and communicate with the bank."

Harley executives also worked with a consultant who helped them capitalize on the brand's appeal, both to those who were crazy about their bikes and to those who would never own a motorcycle. "As the product was getting better, we created the Harley Owners Group (HOG) as a way to attach to people who loved Harley and were active in the sport of motorcycling." (The group now has more than 800,000 members.) Teerlink was among senior executives who

would ride to HOG rallies, where they would identify themselves as Harley employees and solicit their customers' opinions. "In the early days when the products didn't work, I stood up in front of large crowds and said, 'We've got problems, but we're working on them.' And they trusted us." And when Harley's products—and image—began to improve, the company set out to market collectibles, a clothing line, and a credit card.

Harley-Davidson has met with success because its vision is to balance the interests of all its stakeholders: employees, customers, stockholders, even the communities where plants and stores are located, Teerlink said. "It's never equal. When you've got a bank breathing down your neck, you have to satisfy them more than you have to satisfy someone else. But you have to get it as balanced as possible."

Teerlink retired in 1999 and now serves as a director on a number of boards of public and private companies. He also spends time sharing the story of how Harley-Davidson turned around. "I meet with people around the world and talk about how we can make organizations better," he said. "If we can make organizations better, we can probably make the world better." ■