

# Business & Finance

on the web: <http://www.oonline.com>

### MORE THAN MONEY



Sid Mitra, Ph.D.

## Calculate returns the easy way

**Quick and Dirty.** Those three words describe the mood of most investors who are content with knowing the approximate return they realized in 1997.

True, for the selected few who demand precision, there is Quicken Deluxe (\$59.95), or the portfolio tracker available in Money's Website (money.com). But the process described in this column will deliver an approximation of annual portfolio return.

The steps identified in the accompanying table are self-explanatory. However, since several degrees of simplification are involved, a few comments might be in order.

**Case 1.** Let's take the case of John who did not make any additions or withdrawals during the year and reinvested all dividends and capital gains. John's portfolio return can be calculated with relative ease.

**Case 2.** Next, we consider Mary whose situation is identical to John's, except that she took all dividends and capital gains in cash. In her case, the total value of cash distributions should be added to the ending balance to arrive at the true year-end value of the portfolio (step 3).

**Case 3.** Finally, the case of Bill can be considered, who on several occasions, added and withdrew funds during the year. In his case, the net total of any additions or withdrawals is added to arrive at the year-end portfolio value (step 4).

However, since these additions and withdrawals were made at different times, adding the net value to the portfolio results in oversimplification. Hence, for Bill, the portfolio return calculated by using this method might result in gross distortion.

One final point: Your portfolio return should be compared with an appropriate benchmark in order to determine if the performance was satisfactory. If not, you can determine what changes if any need to be made to put your portfolio back on track.

STEPS	EXAMPLE	\$200,000
1. Value of Portfolio on 1/1/97		\$150,000
2. Add to Step 1 the value of dividends and capital gains you withdrew	\$150,000 + \$5,000	\$155,000
3. Add to Step 2 the value of dividends and capital gains you reinvested during 1997, excluding dividends and capital gains	\$155,000 + \$10,000	\$165,000
4. Subtract Line 1 from Line 3. Divide the result by 12. This is your average monthly portfolio return	$\frac{\$165,000 - \$150,000}{12}$	1.25%
5. Add Line 4 to Line 3. This is the portfolio value on 12/31/97	$\$165,000 + (\$150,000 \times 1.25\%)$	\$166,875
6. Subtract Line 1 from Line 5. Divide the result by 12. This is the portfolio return for 1997	$\frac{\$166,875 - \$150,000}{12}$	1.25%
7. Divide Line 5 by Line 1. This is the % change in value before taxes	$\frac{\$166,875}{\$150,000}$	1.11%

Sid Mitra, Ph.D., CFP, is professor emeritus of Finance at Oakland University and owner of Mitra & Associates, a Rochester Hills financial consulting firm. This column was critically reviewed by Professor Jerrold Grossman of OU. You can e-mail questions or comments to Sid Mitra at [smitra@oonline.com](mailto:smitra@oonline.com).

## Company helps build better teams

BY BARB PERT TEMPLTON  
SPECIAL WRITER

Taking those stuffy corporate board meetings and hosting them outdoors amid a relaxed schedule of recreational activities could put the smile back on those overworked managers faces next quarter.

At least that's the scenario Sid Friedman and Mark Coden, founders of TeamWorks in Birmingham, hope to see unfold with their new business venture.

The pair's program, that provides professional empowerment through adventure training, was created in April as an addition to the well established children's summer camp, Camp Tanuga, the duo run at a northern Michigan location.

The idea is that outdoor challenges, recreational activities and experiential exercise can improve communication, accelerate learning and promote teamwork.

"Good team training creates a cycle of success," Friedman said. "And training and teamwork lead to job satisfaction, which, ultimately, leads to better employment retention."

"Employees satisfied with the job also provide better quality products and service," Coden added. "Customers are more satisfied and this contributes to good will and growth for the company."

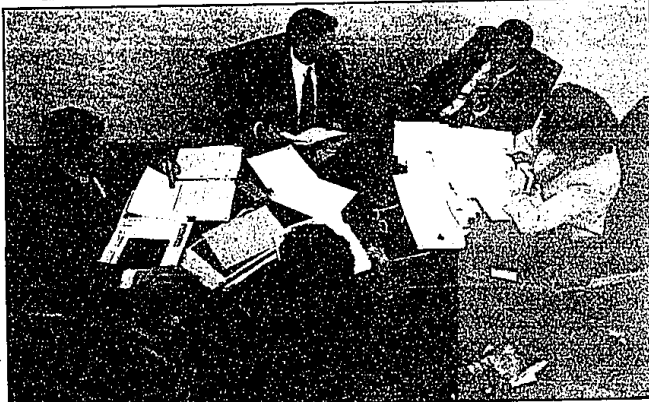
The history and background for Camp Tanuga dates back to 1952 for Friedman whose father founded and operated the summer camp for kids. The 260-acre site, complete with rows of rustic cabins for the outdoors campers and a brand new 8,000-square-foot lodge for corporate clients, sits along the shore of Lake Manistee in Kalkaska.

Friedman took over as camp director in 1984. While he and Coden spent season after season training hundreds of adult staffers, they learned that if they offered the staff members the same high quality outdoor experiences and challenges to the children, the adults would receive the same level of benefits.

"We train our own staff so we began to realize that if we incorporate those same components into working with corporations this could be a great corporate team building plan," Friedman said.

Horseback riding, water skiing, wind surfing, canoeing, sea kayaking, sailing, wakeboarding, mountain biking, swimming, campfires and hayrides are a few of the recreational activities offered at the resort. All of the TeamWorks activities are led by experienced and certified facilitator who are selected based on the composition and needs of the corporate group.

There is no set program because every company is different and so we design it around each company's needs," Friedman said. "Some corporate clients want all workshops and a keynote speaker and no



Teambuilders: TeamWorks of Birmingham provides traditional office meeting space and non-traditional team building adventures at its camp in Kalkaska.

leisure activities. Some want half and half and others want mostly recreation and a little business."

The fitness and skill level of the group's participants are also factored into TeamWorks' final program recommendation. Training is performed on the site in Kalkaska and the brand new Bears Den Lodge can accommodate groups as small as eight or those with 50-plus participants.

"The lodge is much more upscale and nothing like the cabins, which are mainly for the campers unless a corporate client requests them," Friedman said. "We have built a beautiful lodge with all the amenities corporate clients would want to utilize and it's as nice as any hotel."

The cost for a TeamWorks package varies, ranging from \$500 to \$1,500 per person depending on the client's needs.

Some firms prefer TeamWorks handle everything from air transportation, to lodging to catered meals by a specialty chef. Other corporations want to drive to the lodge, sleep in the rustic cabins and



Please see TEAM, B5

## Walsh president leaving for Virtual U

Dr. David A. Spencer, president and CEO of Walsh College since 1991, is resigning to accept the presidency of the newly formed Michigan Virtual University.

Spencer's departure date is anticipated for mid-to-late October 1998, according to Walter B. Fisher, chairman of the college's board of trustees.

"From the time he became president seven years ago, Dave has given his full attention to moving the college forward within the mission set forth by its founder, Mervyn B. Walsh, more than 75 years ago," said Fisher. "We congratulate Dave on his new position and look forward to continuing Walsh College's tradition of success through the leadership of our current management team, our trustees, and our new president, for whom we will conduct a careful, national search over the next few months."

Fisher said that the board of trustees is in discussions with a nationally recognized executive recruiting firm specializing in presidential searches for independent colleges and will be establishing a special search committee to ensure the process is conducted in the most timely and effective manner possible.

"The breadth and depth of the faculty, staff, and management team at Walsh College, supported by our board of trustees, will help ensure a seamless transition as the college continues to grow in stature as Michigan's premier business institution," said Fisher. "I leave Walsh College with profound mixed emotions," said Spencer. "Although I have been privileged to serve the Walsh community for more than 19 years, the last seven as president, I look forward to the challenges and opportunities associated with bro-

Please see WALSH, B5

## State retail sales high in spite of GM labor battle

Michigan's retail industry reported its best overall sales performance of the year in June despite the start of the General Motors strike and resulting layoffs.

Sixty-two percent of retailers reported increased year-to-year sales for the month, the highest figure since last December, according to the Michigan Retail Index, a joint project of the Michigan Retailers Association and Federal Reserve Bank of Chicago.

It was also the best June since the index was established in July 1994. Retailers were optimistic, too, for sales

in the third quarter, including back-to-school shopping. Seventy-two (72) percent said they expect increased sales for the July-September period, up from 68 percent who had a positive outlook for the June-August period.

"Michigan's retail sales appeared to be stronger than national figures, in part because of a hot summer and strong tourism," said Larry Meyer, CEO of the Michigan Retailers Association.

"There also was no indication in the numbers that the beginning of the GM strike and related plant closings were having an adverse effect on overall sales

in Michigan. We'll be watching for July." Jewelers led the industry in June, with 79 percent reporting sales increases. General merchandise retailers followed at 67 percent and gift retailers at 65 percent.

All regions of the state reported positive numbers, led by West Michigan at 67 percent and Northern Michigan at 65 percent. Apparel trailed at 48 percent.

The Michigan Retailers Association is the nation's largest state trade association of general merchandise retailers. MRA's 4,700-plus retail business members operate more than 10,000 stores.

## June jobless rate, employment rise in most areas

June seasonally unadjusted unemployment rates increased in most major state labor markets even as total employment climbed, according to estimates released today by the Michigan Jobs Commission.

Jobless rates rose in seven of 10 major labor markets. Total employment rose in eight of 10 markets. The sharpest advance in joblessness occurred in the Flint, where the unemployment rate jumped 2.4 percentage points in June to 6.9 percent. "This increase reflected only the very initial layoffs caused by the labor dispute at General Motors."

"The bulk of the strike-related layoffs recorded in June occurred after the survey period used for the production of June jobless statistics," said Doug Rothwell, CEO and Department Director of the Michigan Jobs Commission. "As a result, only the Flint area registered a significant increase in the June jobless rate, but the economic impact of the strike widened as the month progressed."

This column highlights promotions, transfers, hirings and other key personnel moves within the Oakland County business community. Send a brief biographical summary - including the towns of residency and employment and a photo, if desired, to: Business Milestones, Observer & Eccentric Newspapers, 805 E. Maple, Birmingham, MI 48009. Our fax number is (248) 644-1314.

**Cheryl Ajamu** of Southfield has been appointed a program administrator at J.R. Thompson Company in Farmington Hills. She will be responsible for servicing dealer marketing programs for the Monar parts division of Chrysler Corp.

**Paula Alexander** of Waterford has been appointed business manager at Oakland University's Meadow Brook Hall in Rochester. She is responsible for providing management direction in all business functions. She previously worked as a financial analyst at Northwestern University.

**Lynn Anderson** of Rochester has been named director of external relations at Oakland University's Meadow Brook Hall in Rochester. She will direct fund-raising, marketing/communications and volunteer services functions at the hall.

**Patricia Banes** of White Lake has joined AquaTest Laboratories in White Lake as its laboratory director. She will direct the laboratory work for the company which offers independent water testing services for Oakland County residents.

## BUSINESS MILESTONES

**Diane Girard** Brown of Orchard Lake has been named the first marketing director for Lutheran Social Services of Michigan. She has worked in public relations and ran her own agency, Girard Brown Communications.

**C. Edward Coffey** of Troy has been named a fellow in the American Psychiatric Association. He is a medical doctor specializing in psychiatry

as well as chair of the psychiatry department in the Henry Ford Health System.

**Brent Freeman** has joined Graco & Wild Digital Studios in Farmington Hills as a 3-D animator on the firm's television production staff. He will create 3-D animation for commercial, corporate and broadcast clientele. He previously worked for Outrage Entertainment in Ann Arbor.

**Bill Freed** of Rochester Hills has been named senior vice president and customer relationship management specialist

at Penta Mark, a Southfield-based division of Omnium Group. He was previously vice president of the large car account and has been with BDDO and PentaMark for 15 years.

**David Howard** of Bloomfield Hills has been named senior vice president, general counsel and director of corporate development at Inco Computer Company in Bloomfield Hills. He is responsible for supervision of legal matters and store roll-outs and build-outs.

**Julio Koblitz** has been appointed media director at Victor Associates Advertising in Bloomfield Hills. She was formerly media director with Susman Sikes.

**Sheryll Kollin** has been promoted to senior vice president and director of broadcast talent at Doner's public relations division in Southfield. She is responsible for overseeing the agency's talent department which handles talent casting, celebrity and contract negotiations, music licensing, talent payments and residuals as well as labor relations and talent contracts.

**Robert Levine** of Farmington Hills has been admitted to the American College of Healthcare Executives. He is a medical doctor specializing in ophthalmology and in charge of eye care services at Henry Ford Medical Center-Fairlane.

Please see MILESTONES, B5