

STATE OF **Business**

SPRING 2018

Fast Forward

RESHAPING PROFESSIONAL GRADUATE EDUCATION AT SMEAL

PLUS

A LEGACY FOR THE FUTURE
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PennState
Smeal College of Business



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ABOUT SMEAL

The Penn State Smeal College of Business is a vibrant intellectual community offering highly ranked undergraduate, graduate, doctoral, and executive education opportunities to more than 6,000 students from across the country and around the world. Smeal is a destination of choice for top global organizations seeking talent that will make a positive difference. Through our leading faculty and network of research centers and institutes, the college is a source of knowledge that influences the business practices of tomorrow.

Reflecting on Five Years at Smeal

MORE THAN FIVE years have passed since I became dean of the Penn State Smeal College of Business. During that time, through the hard work and engagement of our faculty, staff, and administrative team—and thanks to the invaluable counsel of our Board of Visitors and other dedicated advisory groups—we have made great strides in our continued pursuit of excellence.

In the following pages, I invite you to read more about the good work that has been completed and the important work still ahead, from reimagining graduate business education and making the business case for sustainability to expanding opportunities for students and faculty through philanthropic support. You can also catch up on the latest news from the college, connect with some of our inspiring students, and learn more about Smeal's global reach.

Smeal is one of the largest business schools in the country. While our size plays an important role in our ability to attract leading employers to recruit students for internship, co-op, and full-time opportunities, it also challenges us to find ways to provide an extraordinary education and to produce research with impact.

As you turn the page, you will see not only who we are as a business school but also how we compare to some of the leading business schools across the country. While I am proud of how efficiently we are able to utilize available resources, we are working diligently to ensure our fiscal well-being for the future. Our professional graduate programs, for example, are providing a vital revenue source for the college. We also have set an ambitious goal for private philanthropy for the University's fundraising campaign, *A Greater Penn State for 21st Century Excellence*.

Leading the Smeal College has been an immense honor and privilege. I am fortunate to work with colleagues who are engaged in and passionate about our continued success. The Smeal alumni network is among our most valuable assets. If you have been away for a while, we welcome you to reconnect with us, not only through these pages, but through regional clubs, mentoring, and other alumni events. And for those of you who have been engaged with us through your time as volunteers or your philanthropy, I thank you.

I hope that you are proud to represent Smeal across the business world and within your communities.

Regards,



Charles H. Whiteman
John and Becky Surma Dean



CHARLES H. WHITEMAN

Whiteman, the John and Becky Surma Dean of Smeal, has more than three dozen years of experience in higher education and business. He assumed leadership of the college in 2012 after serving as senior associate dean for the Tippie College of Business at the University of Iowa.

TRACKING PROGRESS

Among the accomplishments from the past five years:

- Full-time faculty growth of 10 percent
- Smeal Board of Visitors expansion and creation of new advisory boards in areas such as real estate and finance
- Increased study abroad participation among Smeal undergraduates
- Introduction of a new business fundamentals certificate for non-Smeal Penn State undergraduates
- Comprehensive revisions to the Penn State Smeal MBA and Executive MBA Programs
- Smeal assumed leadership role for the redesigned Penn State Online MBA
- More than a half dozen new online and residential professional graduate offerings

SMEAL EDUCATIONAL EXPERIENCE 2016-17

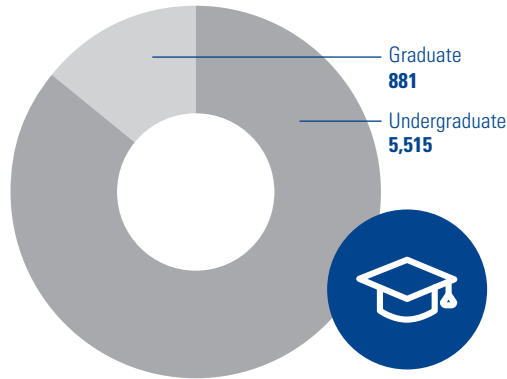
5 ACADEMIC PROGRAM AREAS



- Undergraduate
- MBAs
- Residential Specialty Masters
- Online Specialty Masters and Graduate Certificates
- Doctoral

TOTAL STUDENTS
6,396

160
FULL-TIME FACULTY

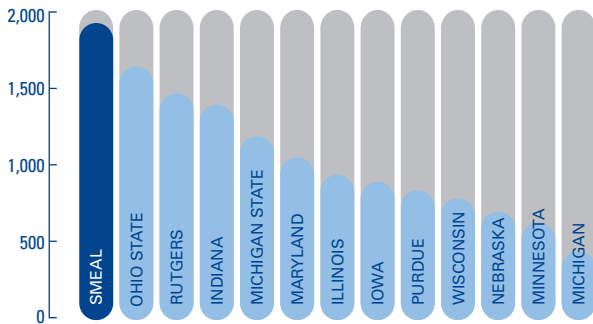


PENN STATE EXECUTIVE PROGRAMS

355

OPEN ENROLLMENT PROGRAM PARTICIPANTS

UNDERGRADUATE DEGREES CONFERRED ACROSS THE BIG TEN



AVERAGE STANDARDIZED TEST SCORES

UNDERGRADUATES

1319

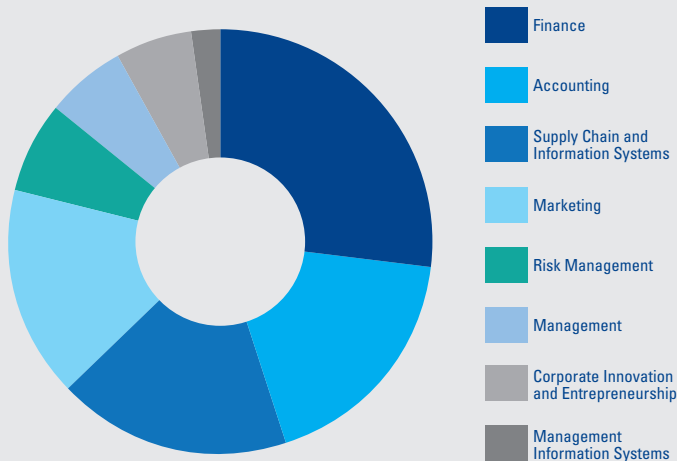
SAT

MBAS

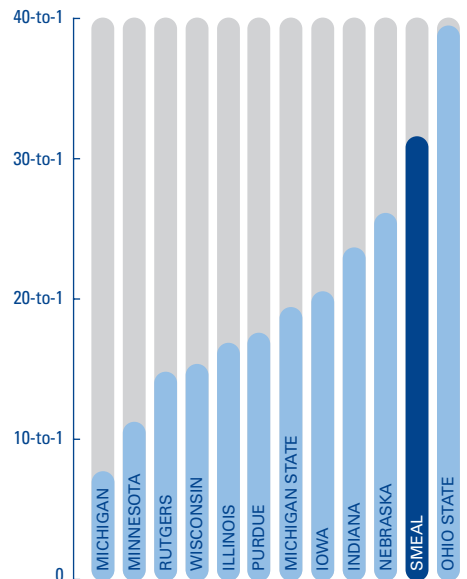
659

GMAT

STUDENTS BY UNDERGRADUATE MAJOR



BIG TEN UNDERGRADUATE STUDENT-TO-FACULTY RATIO



Business School Comparison Data: Association to Advance Collegiate Schools of Business

GRADUATION AND BEYOND

Smeal Undergraduate and Graduate Degrees Awarded in 2017

2,353

ALUMNI NETWORK

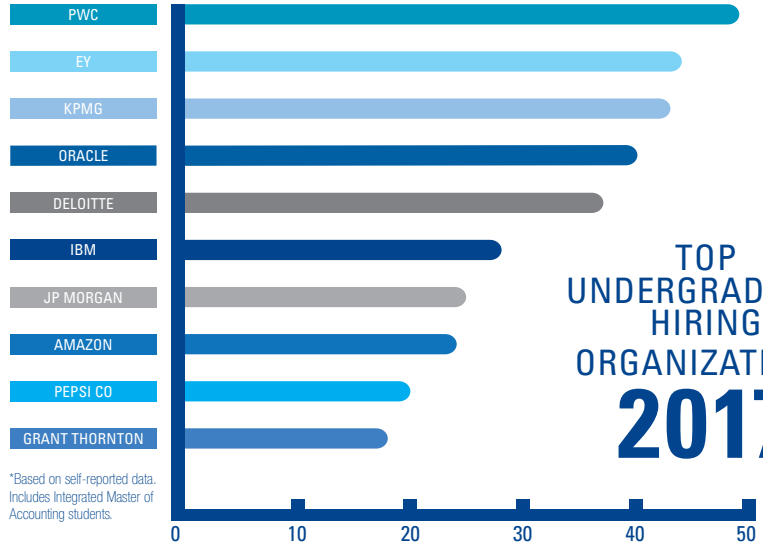
86,000+ Living Smeal Alumni

24,000+ Penn State Alumni Association Members from Smeal

750+ Smeal Alumni Volunteers

10+ Smeal Alumni and Professional Advisory Committees

4 Active Smeal Alumni Chapters: Pittsburgh, Philadelphia, New York City, Washington, D.C.



TOP UNDERGRADUATE HIRING ORGANIZATIONS
2017

AVERAGE 2017 STARTING SALARIES

\$58,975 UNDERGRADUATE **\$105,462** MBA

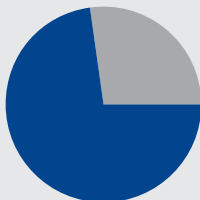
8 2017 MBA GRADS HIRED BY AMAZON
MOST MBA HIRES BY ONE COMPANY

PHILANTHROPY

A Greater Penn State for 21st Century Excellence FUNDRAISING CAMPAIGN

SMEAL GOAL

\$64,500,000

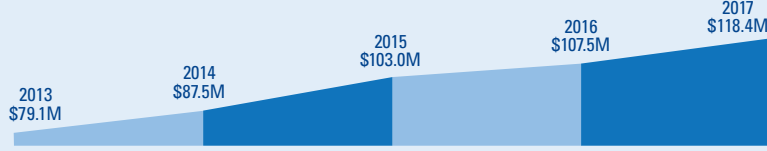


CAMPAIGN PROGRESS SINCE JULY 1, 2016

ENDS JUNE 30, 2021

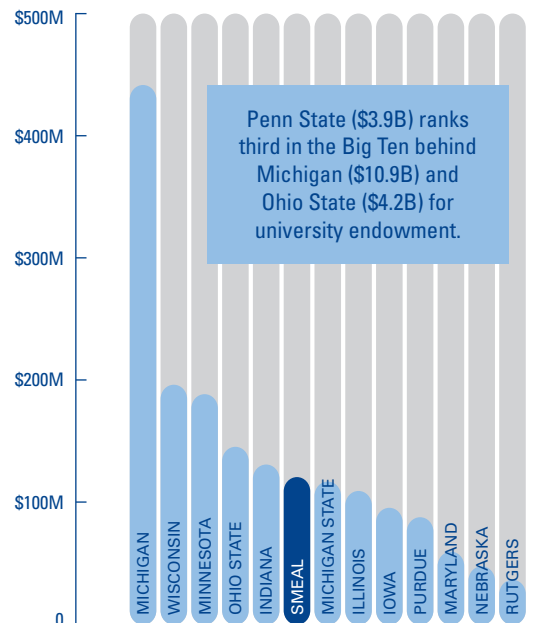
■ Funds raised to date
■ Funds to be raised

SMEAL ENDOWMENT GROWTH 2013-17



BUSINESS SCHOOL ENDOWMENTS

JUNE 30, 2017



Penn State (\$3.9B) ranks third in the Big Ten behind Michigan (\$10.9B) and Ohio State (\$4.2B) for university endowment.

READY FOR THE BUSINESS WORLD

CAREER PREPARATION

The beginning of each semester at the Penn State Smeal College of Business means it's career fair season. Events like the Supply Chain Career Fair in the Business Building and the new #MegaFair at The Nittany Lion Inn hum with life as business-attired students connect with hundreds of companies seeking talent for internship, co-op, and full-time opportunities.

To prepare students for career fair and interview success, Smeal offers a variety of services and programs including resume and cover letter reviews, mock interviews, and a career preparation class for undergraduates through our Career and Corporate Connections Office.

Students can also participate in discipline-specific boot camps designed to focus on the skills that matter in those areas. A recent gift from **Carl Berquist '74 ACCTG**, Smeal Board of Visitors member and retired Marriott International chief financial officer, and his wife, **Bobbie '73 EDU**, provided funding to support a newly established Real Estate Boot Camp. The boot camp will provide similar educational and career opportunities as the college's previously established Wall Street Boot Camp.



The college's biannual Supply Chain Career Fair and a host of other events give students many opportunities to network with top companies.

OPPORTUNITY AWAITS

1,300+

Undergraduate internship and co-op opportunities annually posted by top companies

300+

Career fairs and corporate recruiting events for business students each year



BUILDING THE WALL STREET PIPELINE

Nearly 100 percent of the undergraduates involved in running the Nittany Lion Fund—an investor-owned, student-managed hedge fund at Smeal—secure jobs on Wall Street. Since its inception more than a decade ago, the top hiring firms of Nittany Lion Fund talent include:

Bank of America Merrill Lynch	_____	56
BLACKROCK	_____	26
Goldman Sachs	_____	26
citi	_____	23
J.P.Morgan	_____	18
Morgan Stanley	_____	10

Teaching Innovation in a Time of Change

PROGRAM DEVELOPMENT

“Companies increasingly need managers and executives who have innovation skills to develop new products and services in a team or organizational context,” says **Shawn Clark ’99 Ph.D.** (pictured), director of the Farrell Center for Corporate Innovation and Entrepreneurship at Smeal who is helping to lead program

development in innovation and entrepreneurship for the college.

In the past few years, Smeal has introduced an undergraduate major, online master of professional studies, and online graduate certificate, all in corporate innovation and entrepreneurship.

“Our new master’s



program is unique in that it allows students to choose from a corporate innovation concentration or a path that teaches students through the prism of the start-up perspective,” Clark says. “We have seen a very positive response from engineers and scientists who have ascended to management and executive levels.”

HERE’S THE PITCH

The 2017 Supply Chain Entrepreneurship Pitch Contest at the college drew 26 submissions from seven Penn State campuses. The winning idea from Team DropLocker, which included four Smeal students, revolved around a third-party package distribution solution for companies.

Celebrating 10 Years

HELPING BUSINESS DREAMS BECOME REALITY

For many high school students from underrepresented populations, attending Smeal often seems outside the realm of possibility. The Business Opportunities Summer Session (BOSS), which celebrated its 10th anniversary last summer, changes that perspective.

BOSS, which is facilitated by the Smeal Office of Diversity Enhancement Programs, offers high school students who are interested in a business degree a chance to experience college life by spending two weeks on campus. Students take college preparatory and business fundamentals courses taught by Penn State and Smeal faculty and participate in a host of other experiences.

“I’ve been sold. Penn State. Smeal. This is where I want to be. That quote came from one of my 23 campers, spoken to me on her last day,” says Ashley Au, a BOSS assistant last summer and a current Smeal student who attended BOSS in 2015. “Her words resonated with me because they mirrored the same emotions and enthusiasm I had felt, just two years prior.”

Jamie Campbell, assistant dean for Diversity Enhancement Programs at the college adds: “BOSS is designed to show students that no matter your color, creed, or socio-economic background, there is a support system at Smeal that will enable students to reach their very best.”



The Business Opportunities Summer Session allows high school students to experience business school life as they consider college.

BOSS BY THE NUMBERS

**NEARLY
200**

Participants since 2008

**OVER
60%**

Participants who applied to Penn State

**OVER
90%**

Applicants accepted to Penn State

INTEGRITY SYMPOSIUM AT SMEAL

ETHICALLY SPEAKING

Business school administrators and faculty along with corporate representatives joined Smeal alumni **Jerome Griffith '79 MKTG** and **Lou Grabowsky '73 ACCTG** who visited Smeal in November to speak at the 2017 Partners in Business Ethics Symposium.

“In light of recent news events, our theme of fostering a speak-up culture was particularly timely and relevant,” says Charles H. Whiteman, the John and Becky Surma Dean of Smeal.

Attendees developed a list of action items for business schools including creation of ethics modules and enhanced corporate partnerships.

It was the second time Smeal hosted the symposium, underscoring the college’s longstanding commitment to honor and integrity. In 2010, Smeal partnered with American Express to host the inaugural event at the World Financial Center in New York City. Next year, the symposium moves to the University of Illinois at Urbana-Champaign.



Michelle Darnell joined Smeal in March as the college’s new director of honor and integrity. Before coming to Penn State, she was senior lecturer and co-director of the Poe Business Ethics Center at the University of Florida.

Executive Insights

For speakers series and other special events, Smeal regularly invites business leaders to share their perspectives on a range of topics. Recent speakers include:



Wanda Bryant Hope '87 MKTG, Johnson & Johnson

Chief Diversity and Inclusion Officer

“When I think about leadership, it’s really about engaging and inspiring and motivating other people. It’s about instilling followership. That, to me, is what’s important. It’s not about technical expertise.”



Brian Olsavsky '85 ENG, Amazon

Chief Financial Officer and Senior Vice President

“Career success is really a function of the skills you have, the attitude you bring to work, and then the opportunities you run into in the workplace.”



Lara Warner '88 FIN, Credit Suisse Group

Chief Compliance and Regulatory Affairs Officer

“Get as much out of this great university as you possibly can. Keep learning. Learn how to learn. Don’t stop learning; the moment you do, your brain freezes up and you won’t be of value to anyone.”

In Print

Smeal faculty rank among the world’s most prolific when it comes to published research in leading journals. Here’s a sampling of some of the recent papers published in or accepted to top journals in various disciplines:

“Mitigating Spillover in Online Retailing Via Replenishment”

Manufacturing & Service Operations Management

Jason Acimovic | Supply Chain and Information Systems

“Does Regulatory Certification Affect the Information Content of Credit Ratings?”

Management Science

Jess Cornaggia | Finance
Kimberly Cornaggia | Finance

“Credit Rationing, Income Exaggeration, and Adverse Selection in the Mortgage Market”

Journal of Finance

Brent Ambrose | Risk Management
Jiro Yoshida | Risk Management

“The Role of Executive Symbolism in Advancing New Strategic Themes in Organizations: A Social Influence Perspective”

Academy of Management Review

Donald C. Hambrick '79 Ph.D. | Management and Organization

“Are Credit Ratings More Rigorous for Widely Covered Firms?”

The Accounting Review

Samuel Bonsall '12 Ph.D. | Accounting

“Sales Representative Departures and Customer Reassignment Strategies in B2B Markets”

Journal of Marketing

Gary Lilien | Marketing

ALUMNI MAKE AN IMPACT

THE NETWORK

Impact Smeal Day provides alumni with the opportunity to return to campus in the fall and spring to interact with current students, network with fellow graduates, and learn more about the latest from Smeal.

“Alumni are excited to return to campus to catch up on the latest news and to connect with students and share their professional experiences,” says **Jennifer Crispell '06 COM**, Smeal’s director of alumni relations. “Many alumni enjoy the experience so much they come back time after time.”

Attendees at the fall Impact Smeal Day in October were able to participate in a



number of activities including attending a class session, sitting in on a Nittany Lion Fund meeting, and joining a variety of breakout sessions. The spring event concluded with the Smeal Alumni Society Board’s Awards Program and Hammond Society Dinner.

JANIAKS SUPPORT GRADUATE EDUCATION

Richard Janiak '68 FIN, managing director at Citigroup and a member of the Smeal Board of Visitors, and his wife, **Anne '69 EDU**, recently established the Janiak Family Graduate Scholarship at the college. Intended for students in finance or Smeal’s new Master of Management and Organizational Leadership Program, the scholarship was funded as part of Penn State’s Graduate Scholarship Matching Program. Until June 30, 2018, scholarships created as part of this program receive a 1:1 match from the University, doubling the impact for students.

TRANSITIONS NEW LEADERSHIP AT SMEAL



Felisa Higgins

Associate Dean of Undergraduate Education

A two-time honoree for teaching excellence at Smeal as a member of the Supply Chain and Information Systems faculty and a former Penn State Administrative Fellow, Higgins oversees operations for one of the largest undergraduate business programs in the nation.



Steve Huddart

Senior Associate Dean

Through the spring semester, Huddart will transition from his current role as chair of the Accounting Department into the senior associate dean position for the college. He will replace Russell Barton, who is stepping down to focus once again on research.



Jeff Sharp

Associate Dean for International Programs

A member of the Smeal faculty for nearly 30 years and formerly associate dean for Undergraduate Education, Sharp is guiding efforts to position the college as a leader for global program participation at Penn State and among peer business schools.



Steve Tracey '86 FIN

Managing Director of Executive Education

Penn State Executive Programs collaborates with organizations to develop customized learning solutions and offers a portfolio of open enrollment programs. Tracey also leads the Center for Supply Chain Research at Smeal.

“YOU’VE GOT TO BE ABLE TO MOVE QUICKLY”

Smeal’s Professional Graduate Expansion Gains Momentum

AS ASSOCIATE DEAN for Professional Graduate Programs, **Brian Cameron ’91 MBA, ’04 Ph.D.** is constantly working to stay one step ahead of his calendar and the many new and redesigned professional graduate programs currently launching and in development at the Penn State Smeal College of Business.

As it turns out, building an innovative and integrated professional graduate programs portfolio takes both endurance and flexibility, requiring a never-ending series of meetings, planning sessions, and hallway conversations with stakeholders inside the college and across Penn State.

“You’ve got to be able to move quickly, and you’ve got to be able to innovate, try things, learn from them, evolve, and refine,” says Cameron, who has been spearheading efforts to reimagine professional graduate education at the college since 2014. “That’s not something higher education is traditionally good at, but that’s going to be the name of the game. Our competition is rapidly increasing in most markets and becoming very agile.”

For years, most business schools focused their professional graduate resources on one primary offering: the two-year residential MBA. Over the past decade or more, however, the MBA marketplace has changed significantly, particularly with the introduction of alternative MBA formats, such as online and executive MBA programs, and more specialized programs focused on targeted areas of business.

According to the Association to Advance Collegiate Schools of Business, residential MBA enrollments have been declining for all but the most elite business schools, down by more than a third from 2010 to 2016. At the same time, operational costs have continued to rise as schools offer more robust services and financial support to attract a shrinking pool of top candidates and retain their positions in the rankings.

Soon after Cameron arrived from Penn State’s College of Information Sciences and Technology, Smeal Dean Charles H. Whiteman asked him to lead a task force to help plan an alternate path forward, one less dependent on the residential MBA, more responsive to demands in the market, and more



Smeal’s expanding professional graduate portfolio is attracting new students to the college. Clockwise from top left: MBA, Online MBA, Executive MBA, and Management and Organizational Leadership.

capable of generating revenue and reputation for the college.

The Professional Graduate Education Committee (PGE) developed a series of recommendations including: to redesign Smeal’s residential and executive MBA, to endorse the assumption of a leadership role in the Penn State Online MBA, to launch a new one-year Master of Professional Studies in Management and Organizational Leadership (MOL), and to develop a broader portfolio of online specialty masters and graduate certificates in areas such as corporate innovation and entrepreneurship and business analytics.



BRIAN CAMERON

Cameron recently was invited to serve on the executive board of the MBA Roundtable. His presentation to the association addressed Smeal's evolving portfolio of programs.

A Changing World

For years, most business schools focused their professional graduate resources on one primary offering: the two-year residential MBA. Over the past decade or more, however, the MBA marketplace has changed significantly.

As part of the PGEC's recommendations, enrollment in the residential MBA has been capped at 60 students per year. In the first year, MBA admissions selectivity increased and the program also improved to a top 25 ranking in *Bloomberg Businessweek*.

"So much of what we are doing in graduate education connects through the residential MBA," Whiteman says. "Our MOL students are immersed in the same curriculum as our first-year MBAs. Our executive MBAs are taught by residential MBA faculty. We are excited about the future in this space and how we can continue to serve the needs of graduate students in business."

The first class of MOL students began last August. Designed primarily for those with STEM backgrounds, it has attracted the interest of companies looking for candidates with technical and business expertise. The goal for the MOL is to reach a class size of 60 within the next two years after 36 students enrolled in the first year.

For Smeal, the launch of the restructured residential MBA and the introduction of the new MOL are individual components of a larger overall plan that began rolling out in the fall and will continue for years to come. It's a plan that will continue to keep Cameron on the move for the foreseeable future. —By Andrew Krebs '99 LIB, '10 MBA

PORTFOLIO DIVERSIFICATION

More than a decade ago, the college expanded its MBA footprint with the introduction of a Philadelphia-based Penn State Smeal Executive MBA, which was later followed by the launch of an online graduate offering in supply chain and a pair of residential programs in accounting. After multiple years of planning, the current academic year at Smeal has seen a substantial increase in professional graduate programs activity.

FALL 2017

Redesigned residential MBA

New Master of Professional Studies in Management and Organizational Leadership

Redesigned Penn State Online MBA with Smeal in a leadership role

New online graduate certificates: Corporate Accounting Foundations, Corporate Innovation and Entrepreneurship, and Marketing Analytics

SPRING 2018

New online Master of Professional Studies in Corporate Innovation and Entrepreneurship

FALL 2018

Redesigned Penn State Smeal Executive MBA

New Collaboration with the College of Information Sciences and Technology on its Master of Professional Studies in Enterprise Architecture and Business Transformation

2019 & BEYOND

Smeal is planning or exploring residential and online programs in a variety of areas including strategic management and executive leadership, marketing research and analysis, corporate finance, and real estate development and analysis.

A PENN STATE LEGACY

The McHugh Family is Making a Difference at Penn State and Beyond

WHEN JULIE MCHUGH '86 FIN talks about her Penn State legacy, she is talking about a connection to the past, but also about a commitment to the future.

"I am one of five children, and four of us went to Penn State," McHugh says. "My husband, **Mike '82 ACCTG**, and I are both Smeal graduates and my daughter, Emily, will graduate from Penn State this spring."

McHugh lights up when talking about her daughter and their common Penn State experience. "My husband and I have so many vivid memories, from classes in the Forum, to football games, to going to the Creamery, to walking downtown and shopping," she says. "It's been special to share the experience now with Emily."

McHugh began her career as a management associate in the biopharmaceutical industry, working her way up into general management, and most recently was chief operating officer at Endo Health Solutions, a global specialty pharmaceutical company. She retired four years ago, but will be the first to tell you that it is a very active retirement.

Currently, McHugh sits on five corporate boards and also serves as advisor to an investment firm that provides capital solutions to emerging biopharmaceutical companies. She also holds leadership roles with the Penn State Smeal College Board of Visitors (BOV) and Penn State Parent Philanthropy Committee.

As an alumna, McHugh first returned to campus to discuss what it meant to be a corporate leader as part of Smeal's signature Executive Insights speakers series. She also participated in several student competitions, and was subsequently asked to join the BOV—a role she has cherished for nearly a decade. "The most important contribution that we make is to support Dean (Charles H.) Whiteman, the faculty, and the administration in figuring out how to continue to deliver a world-class education to Smeal students," she says.



Smeal graduates Julie (center) and Mike McHugh, along with their daughter, Emily, are connected in many ways to the college and Penn State. The McHugh's dog, Harvey, is a Nittany Lion at heart.

McHugh will assume the role of board chair in July at the conclusion of the term for **Lou Grabowsky '73 ACCTG**. "Not only are we turning out great undergraduate and graduate students from Smeal's residential programs, but we have a new portfolio of graduate certificates and academic programs for working professionals to continue to develop the skill set and credentials that are going to help them continue to succeed," McHugh says. "Smeal has so much to offer and I am genuinely excited to lead the board."

When Emily began her first year, McHugh was approached to join the Penn State Parent Philanthropy Committee as co-chair. Through that role, McHugh began to hear stories that troubled her.

"We talked about students who are not graduating simply because they are tapped out financially," she says. "They've gotten all the student aid they could find, they've maxed out their loans, their parents are working multiple jobs, but they just can't afford to live in State College and complete their degree. And so they walk away just a few credits shy of

completing their degree program. It's heartbreaking."

The McHughs recently created two scholarships, including one to benefit Smeal students, through the University's Open Doors Scholarship Program, a limited-time funding opportunity through the *Greater Penn State* campaign. The unique program is designed to address the personal, financial, and academic challenges Penn State undergraduates face in completing their degree. Reflecting Penn State's commitment to these programs, they were able to benefit from a 2:1 permanent match from University funds, tripling the impact of their philanthropy.

"I felt really inspired by this group of students and wanted to help them complete their Penn State degrees," McHugh says. "Of all of the areas where I can invest my philanthropic dollars, to me this felt like the place where my family and I could have the most important impact."

For McHugh, it all comes back to legacy. "You reach a certain point in your life where you start to think about your legacy. What is it that you want to know about your life? And I think that most people want to know that their life meant something. That it had impact," she says.

"If someone is happy with how their life turned out and they believe there is a connection back to their time at Penn State, I'd encourage them to re-engage with the University and explore how they might contribute, not just as donors but also as volunteers," McHugh says. "Being able to give back to the University and to its students is the most incredible feeling. To me, affecting young lives is the most important way of contributing to society."

That is a powerful legacy.

—By Anne Louise Cropp '99 MBA/MHA

WHY I GIVE



Elizabeth Zlatkus '81 ACCTG

"I think education is the cornerstone of both success and fulfillment in life. My husband (**Richard '80 SCI**) and I consider it an honor and privilege to help students have access to that."



Farnoosh Torabi '02 FIN, IB

"Because I've achieved some success in my career, I want to give back. I choose Penn State because the University has given so much to me. It's where I got my grounding and where I learned what I wanted to do. I met amazing people that are still very important to me in my life today, and I am so grateful for my Smeal experience."



Jason Borrelli '94 ENG, '06 MBA and Julie Borrelli '94 HHD

"Penn State has been a huge part of our lives—it's where our parents went to school and it's where we began our lives together. We know Smeal graduates enter the workforce with the foundation for success and we believe it's important to do whatever we can to ensure that students who are motivated to succeed are given every opportunity to do so."



George Strickler '69 ACCTG

"Penn State has been an important part of my life. My father, several aunts and uncles, and my two sons are also Penn State graduates. For the last 15 years, I have been an active member of Smeal's Board of Visitors. I am grateful for the opportunities a Penn State education provided for me and my family throughout my career. It's because of these opportunities that (my wife) Alice and I have supported Smeal."

If you are interested in making a gift to support Smeal, please contact **Michelle K. Houser**, senior director of Development and Alumni Relations, at mkb117@psu.edu or 814-865-3497.

SALO SREDNI: VOLUNTEER CHAIR

Last fall, **Salomon "Salo" Sredni '87 ACCTG** agreed to serve as volunteer chair for Smeal's *A Greater Penn State for 21st Century Excellence* fundraising effort.

"There's nothing more rewarding for me and my wife, **Ellen '88 HHD**, than knowing that we can make a positive difference at an institution that we love simply by being generous with our own time and good fortune," Sredni says.

"Salo's ability to think strategically, to help people identify their passions, and to make connections with others is remarkable," says **Michelle K. Houser '01 COM**, Smeal's senior director of Development and Alumni Relations. "His involvement will help our team make valuable and rewarding connections with Smeal's alumni and friends."



"Salo is a visionary leader," adds Dean Charles H. Whiteman. "He brings a tremendous depth of experience to his role as campaign chair."

Sredni's daughters, **Kayla '16 MKTG** and **Rebecca '16 MGMT**, are also Smeal graduates. "I know, without a doubt, that students are better off getting a business education at Smeal than virtually anywhere else," he says. "We all say 'We Are Penn State,' but now it's truly incumbent on our vast alumni network to do as much as possible to ensure that Smeal is considered among the best business schools."

Where Do We Go From Here?

After a Sustainability Journey of More Than 10 Years, Smeal Prepares to Take a Monumental Next Step

By Erik Foley | Director of Sustainability

THERE WAS A TIME WHEN students who wanted to “make a difference” chose degrees in public administration, the social sciences, or environmental studies. More and more, however, they are choosing business as the platform to change the world and business school as the place where that change first takes root.

“We are the generation that is expected to bring this knowledge about sustainability into the business world to really drive business value,” says **Danielle Yzaguirre '17 SC&IS**. “I always wanted to give back to the environment and the more I learned about social issues, like poverty and labor rights, the more I wanted to be involved in addressing them as well. I saw through business I could have a positive impact.”

As director of sustainability for the Penn State Smeal College of Business, I am inspired by comments like these. They reflect what we hear from so many of our students. In my role, it is exciting to carry forward a legacy of sustainability progress at Smeal while also shepherding our commitment to do even more in the future.

A core part of that commitment is Smeal’s ambitious plan to develop a new center for sustainable business at



Clockwise from left: Erik Foley, Smeal’s LEED-EB Gold Certification medal, and competitors in the college’s Sustainability Case Competition.

the college with a mission of encouraging business growth through environmental and social innovation supported by world-class research and education.

BUSINESS DRIVERS

Andy Kaufman '04 FIN is a senior portfolio manager at Community Capital Management (CCM), a premier impact investing firm that is strategically focused on generating specific beneficial social or environmental effects in addition to market-rate returns. Kaufman has been in the business world longer than Yzaguirre, who begins her career this summer in the Operations Leadership Program at United Technologies, but shares many of the same views.

“This is not a trend; it is the new way of investing and doing business,” says Kaufman, who spent 10 years at BlackRock before joining CCM.

Alumni like Yzaguirre and Kaufman represent today’s exciting inflection point in business. Four out of five companies in the S&P 500 now produce a sustainability report, and 58 stock exchanges around the world require environmental, social, and governance disclosures in listing requirements. Emerging technologies along with growing concern for corporate environmental and social impact have created unprecedented opportunities for innovation of processes, products, and business models.

SUSTAINABILITY AT SMEAL

For more than a decade, Smeal has been working to be a sustainability leader. Lunchtime talks in 2008 between interested Smeal faculty and Gerald Susman, Klein Professor Emeritus of Management, eventually paved the way for the creation of a Sustainability Council and a Sustainability Advisory Board



Danielle Yzaguirre '17 SC&IS



Andy Kaufman '04 FIN



Smeal's undergraduate chapter of Net Impact was named the best in the nation in 2015 and remains among the top chapters in the country. The organization helps students gain leadership experience while promoting corporate social responsibility.

at the college. Board members—all leading sustainability experts—offer valuable perspective into the latest trends and developments in sustainable business practices.

Soon after Charles H. Whiteman's arrival as dean in 2012, he approved the college's Sustainability Strategic Plan, making Smeal the first academic college at Penn State to develop such a plan and one of the first business schools in the world to have a separate but integrated sustainability strategy.

Evidence of our strategic focus in this area abounds. More than 30 faculty across all departments teach and conduct research in sustainability. Smeal hosts the annual National MBA Sustainability Case Competition, which attracted entries from more than 40 teams from 28 different business schools last year. We offer undergraduates a two-piece course sequence in sustainability and our undergraduate chapter of Net Impact was named the best in the nation in 2015. A three-year effort resulted in the Business Building earning LEED-EB Gold Certification from the U.S. Green Building Council. In January, the college announced a gift from **Robert Davidow '64 BA** and his wife, Suzanne, which creates the Davidow Excellence in Sustainability Fund. The Davidow's gift provides financial resources that support Smeal's sustainability efforts and are creating a pathway for the center.

THE FUTURE

And yet we aspire to do more. Our students, alumni, and corporate partners demand it.

"I think it is immensely important for Smeal students to be engaged with sustainability," Yzaguirre says. "And not just to have an understanding of sustainability in general but as it relates specifically to them and their major."

Creation of a center for sustainable business, which will

AT THE CENTER OF IT ALL

Based on its strategic priorities in areas like integrity and sustainability, Smeal is working to establish multiple centers of excellence. Among those centers is a to-be-named center for the business of sustainability. The center's mission is to encourage business growth through environmental and social innovation supported with world-class research and education. The center will:

- Support interdisciplinary approaches to understanding and innovating solutions to the environmental and social impacts of business.
- Integrate sustainable business strategy and practice into undergraduate and graduate education, doctoral programs, and executive education, and work to train young leaders around the world.
- Host events aimed at bringing together managers and executives with faculty members and students in unique, engaging settings and formats that give rise to creative thinking, innovative problem solving, and breakthrough leadership.
- Host business plan and case competitions focused on market-based sustainable development solutions in partnership with investors, business managers, non-governmental organizations, and government.

If you are interested in learning more about sustainability at Smeal, please contact Erik Foley at erik@psu.edu.

only be made possible through generous philanthropic support, represents a monumental next step for sustainability at Smeal. It is a step that is being driven forward in part by the very students who have graduated from our college and will spend their careers in a world of both opportunity and scarcity.

We aspire to do more because we must. "We simply have to lead in this area," Kaufman says of his business school alma mater, "not because it is a trend but because it is the new standard."

KAREN WINTERICH IS INQUISITIVE, PRODUCTIVE, QUOTABLE, AND HELPING SOLIDIFY SMEAL'S PLACE AS A

RESEARCH POWERHOUSE



BOUNDLESS ENERGY fuels Karen

Winterich's intellectual curiosity as an associate professor of marketing and a Frank and Mary Smeal Research Fellow at the Penn State Smeal College of Business. Her natural inquisitiveness and academic training inspire potential research topics where others might only see conversation starters.

"There are times when I have a conversation with someone or observe something and I'll think, 'I could study that,'" she says. "I keep a running list of ideas and while few of them get developed into a project, I can certainly see themes in my list and when an idea seems to have a surprising or counterintuitive twist, I start to dig a little deeper."

As a research fellow, Winterich holds one of the more than 20 fellowship positions at Smeal. The college also has 18 named professorships and eight named chair positions. Research with impact is a key component of Smeal's strategic plan—and there's an overwhelming demand for talented faculty researchers among top business schools. Funding for faculty positions provides the prestige, resources, and recognition to attract those at the top of their field to Smeal.

"Everyone wants the best and brightest minds on their faculty to conduct impactful research and to influence students," says Russell Barton, outgoing associate dean for research and faculty. "The funding helps to reward excellence."

Winterich, who earned a Ph.D. in 2007 from the University of Pittsburgh, joined Smeal in 2010 after a short stint on the faculty at Texas A&M University. She immediately began making an impact in the classroom and as a researcher, and was awarded a research fellowship in 2014

"It's an honor to be named a research fellow. It means your research is valued. That's inspiring and motivating," says Winterich, who has been recognized as one of the most productive researchers in her field. "It also gives me the freedom and flexibility to conduct better research and more realistic studies."

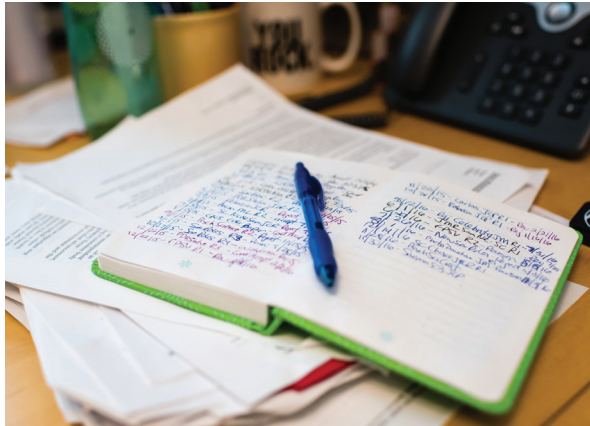
Winterich's research focuses on consumer behavior with



Karen Winterich, an associate professor of marketing and a Frank and Mary Smeal Research Fellow, joined Smeal in 2010. She has been recognized as one of the most productive researchers in her field.

specific interests in the effects of consumer identities and emotions on consumer judgments and decision-making. Her growing reputation as a top researcher has led to a variety of highly visible opportunities including media mentions in *The New York Times*, *Time*, and *Real Simple*, among a host of others. Her guest-editing assignment of a special issue of the *Journal of Consumer Psychology* on marketplace morality has drawn a record number of submissions, and she's an associate editor of several leading journals.

"Karen has shown great potential since joining the Smeal



Winterich uses a journal to keep track of research and plan future projects.

faculty. Her research productivity has contributed greatly to our department being recognized as one of the most productive in the country,” says Hans Baumgartner, Smeal Professor of Marketing and chair of the Department of Marketing. “Her growing national reputation is enhanced by that productivity and by the fact that her research on pro-social marketing is respected by her peers and resonates with the general population. We’re fortunate to have her on our faculty.”

Winterich’s approach to behavioral research comes with costs that can sometimes prohibit scholars like her from even embarking on studies. For Winterich, cost is less of a barrier because of the additional funding she receives as a research fellow.

That freedom and flexibility is important in a world where faculty contributions within their disciplines are measured in large part on their ability to publish impactful research in leading journals.

“Academia is a highly competitive place,” Barton says. “When other universities try to hire away our brightest researchers, a fellowship can make the difference between keeping those faculty members or losing them. We can’t compete if we don’t have the funds needed to create fellowships.”

As for Winterich, she continues to leverage her research fellowship in a variety of ways, from finalizing a paper on recycling and consumer decision-making to sharing her expertise with the next generation by co-advising a Smeal doctoral student. All the while, her list of research ideas continues to expand, taking her in new directions and solidifying her reputation for excellence. —By Andy Elder ’87 COM

RESEARCH WITH IMPACT

Karen Winterich holds one of the more than 40 endowed faculty positions at Smeal. These funded positions help support faculty that rank among the top business schools in the world for research productivity. Recent highlights from other faculty at Smeal include:



KARL MULLER

*Robert and Sandy Poole
Faculty Fellow*

Muller’s research explores the properties and implications of differences in accounting principles and disclosures across countries. His most recent research paper, “Are Credit Ratings More Rigorous for Widely Covered Firms?” has been conditionally accepted by *The Accounting Review*.



RAGHU GARUD

*Alvin H. Clemens Professor of
Entrepreneurial Studies*

Garud, who is the research director of the Farrell Center for Corporate Innovation and Entrepreneurship at Smeal, recently published a paper in the journal of *Strategic Organization* on enabling identity-challenging innovations.



APARNA JOSHI

Arnold Family Professor

Joshi focuses on multilevel issues in workplace diversity, gender issues in science and engineering, and collaboration in global and distributed teams. Her work in the area of gender dynamics in engineering work groups was recently awarded a National Science Foundation grant.

Global Exploration

Smeal Undergraduate Finds Herself in Milan

LAURA DAVIS TRAVELED to Italy for her spring semester in 2017 after receiving the Edward R. and Helen Skade Hintz International Scholars Program Award, created by **Edward '59 BUS and Helen Skade Hintz '60 HHD**. Each year, roughly 500 Penn State Smeal College of Business students participate in study abroad opportunities, and student participation has increased by 28 percent since 2012. Davis, a Marketing major who expects to graduate this spring, shared her perspectives on studying abroad as a Smeal student.

How did you know you wanted to study abroad?

I've always been interested in traveling even though I never left the country or the East Coast growing up. When I thought my career was going to be in fashion merchandising, I assumed it would take me abroad to Italy and France. Now I'm in marketing, which I love because I've learned business in itself is so global. The scholarship really helped bring down the Penn State costs and allowed me to not be restricted when I was abroad. It allowed me to experience things I wouldn't be able to do again, plus my mom and dad were a lot more supportive when I received the award.

Talk about some of your experiences in Milan.

All of my classes were taught by Italians, which was neat to see their perspectives on the subject matter they were teaching. They were very passionate and heartfelt about what it was they were teaching.

I took an international business course that was about managing luxury companies. It was perfect because in



Milan, it's about Versace, Gucci, and every other fancy name you can't afford. For the class, we visited warehouses and went on the strip where it was booming with people.

I also took a da Vinci art class. We saw the Last Supper in person, and it was a lot bigger than I imagined. It was the size of a wall from far away, which is funny because I always thought it was tiny. You were only allowed to be in that particular room for 15 minutes.

How has your study abroad experience made you a better business student?

I used to get anxious about a lot of things, but I've learned that I just need to take a deep breath and know that whatever is on the table right now doesn't mean it's going to last; I just have to find a solution for it.

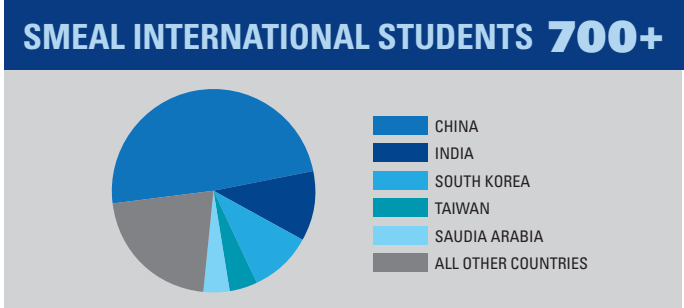
It's also been a great talking point with recruiters. Anyone that I've interviewed with will see it on my resume and ask me about facing difficulties and how I solved them. Talking about my experiences has helped me to realize that I do know more than I think I do. I feel that I'm more capable and have a more well-rounded perspective from seeing and working with different people.

Why should Smeal students consider going abroad?

When you graduate, you want to be the best person that you can be, and Penn State and Smeal gives you all of that. You just have to look for the opportunities and take them. Studying abroad is definitely an opportunity where you'll find out more things about yourself that you wouldn't be able to find here on campus. It helps you grow as a person.

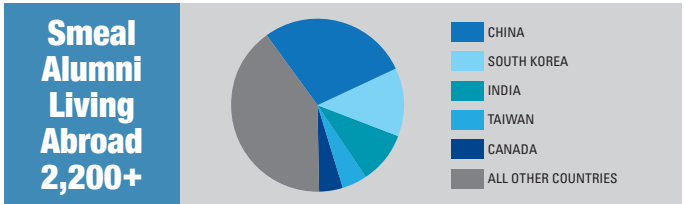
—By Jennifer Neal '07 COM

497 SMEAL STUDY ABROAD PARTICIPANTS



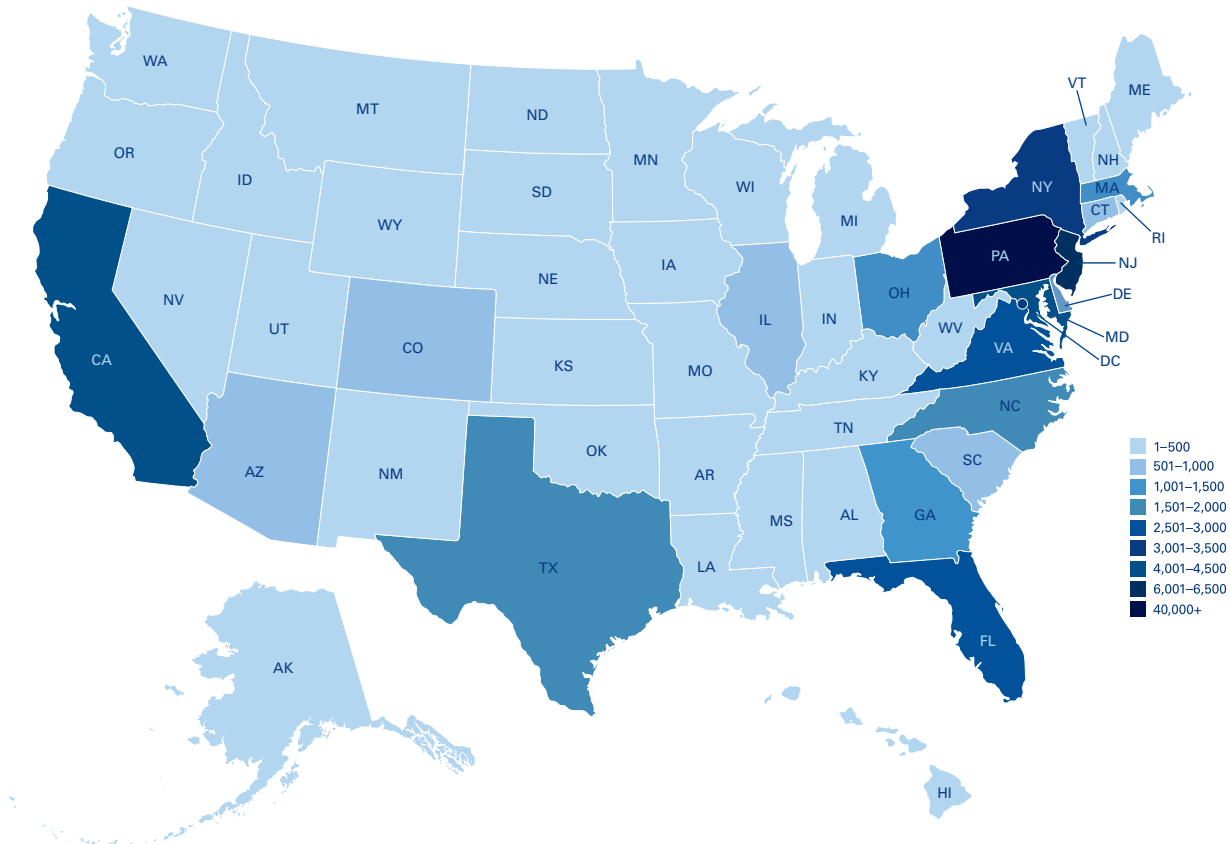
NON-U.S. COUNTRIES WITH SMEAL ALUMNI 100+

SMEAL ALUMNI IN EUROPE 400+



Data: 2016-17

SMEAL ALUMNI BY STATE





The Pennsylvania State University
Smeal College of Business
Office of Development and Alumni Relations
209 Business Building
University Park, PA 16802-3603

Engage with Smeal

There are many ways for you to stay connected with Smeal and each other. Please reach out to Michelle K. Houser, senior director of Development and Alumni Relations:

814-865-3497 | mkb117@psu.edu | smeal.psu.edu/alumni



NETWORK

Download the Tassl app to grow your Smeal connections and learn about upcoming events and Alumni Career Services offerings.



GET INVOLVED

Visit smeal.psu.edu/alumni to discover opportunities to mentor and recruit students, join regional clubs, and give of your talents in other ways.



GIVE BACK

Support Smeal as part of the University's fundraising campaign: *A Greater Penn State for 21st Century Excellence*.



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