

BUSINESS MATTERS

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The State University of New York at Fredonia

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School of Business

Notes from the Interim Dean

- Students can now formally declare a major in Business Administration - “General.” The 2019-20 catalog will list all the course requirements. This major is the perfect choice for those students who would like to self-design their concentration.



- New, 3-credit elective courses to be offered in fall 2019 are: BUAD 100 (Freshman Seminar), BUAD 350 (Sales), BUAD 350 (IS0 9001 C&A), and SPMG 399 (Ticketing & Sales).

- I am delighted to announce the list of highly qualified new teachers joining us in fall 2019: Dr. Sojin Yu (Accounting), and Ms. Kerry Fischer, Mr. Mark Washo, Dr. Cedric Howard (Sport Management).

- While Dr. Reneta Barneva is traveling overseas this summer, Dr. Stuart Shapiro will be the Acting Chair for the Applied Professional Studies department.

- The Business Administration department now has, thanks to the generosity of one of its alumni, Mr. Tom Reilly, one more scholarship designated for a graduating senior. This raises the number of scholarships within our school to 35!

- Dr. Moj Seyedian



Students who were part of the Fredonia Super Bowl contingent included (first row, from left): Kaitlyn Melendez and Kayla Connolly; (second row): Elaina Brownell, Kaitlyn Valenza and Quinn Bankoski; (third row): Joe Alessi, Ryan Langhorne, Ryan Cervola and Brandon Hasse.

Fredonia Students Chalk Up Big-league Internship Experience at Super Bowl

In Super Bowl jargon, it’s “one for the thumb” for Fredonia!

That’s the number of times Fredonia students have scored real-world experience in the national sports industry through internships at the Super Bowl, undoubtedly the premier sporting event in the world. Super Bowl LIII, in which New England defeated Los Angeles, 13-3, on Feb. 3, brings the Fredonia tally to five.

Severe Arctic-like temperatures and heavy snow in Western New York sacked the scheduled Jan. 30 flight out of Buffalo, but this year's contingent made alternate travel arrangements and was able to make the most of their three days in delightfully warm Atlanta, home of the Mercedes-Benz Stadium, where the game was played.

The 2019 Super Bowl internship went well and the students, all majoring in Sport Management, learned a lot, reported Penny Hite, assistant professor of Sport Management. This year's Fredonia contingent included: Joseph Alessi, Xavier Arjune, Justin Axelrod, Quinn Bankoski, Elaina Brownell, Ryan Cervola, Kayla Connolly, Soban Faisal, Brandon Haase, Ryan Langhorne, Kaitlyn Melendez, Zachary Sierra, Kaitlyn Valenza, Christian Villafane and Logan Warren.

"This is the fifth year that we've gone, and it seems like each time the experience gets better and better," added Jason Becker, adjunct lecturer. "We were still able to do two events that we were assigned to on Friday and Saturday. It was a great experience, and the weather was great."

Students served as "wayfinders" at Super Bowl Live, a showcase of assorted attractions and events designed to enhance the fan experience, held in Centennial Park. They also worked at a large indoor venue in the same capacity. This is always a critically important assignment, given the tens of thousands of fans the game attracts every year. Students gave directions to interactive games, pep rallies, contests, concerts and separate parties for fans of both teams.

"During the event we directed traffic and helped make sure the fans had a great experience. We also did some work in the volunteer headquarters where we welcomed people to the area and helped to make sure everyone knew where to go," explained Ms. Bankoski, a junior from Dunkirk. "We met a lot of people from a lot of different places!"

In some years, Mr. Becker noted, students see famous people – celebrities, athletes, sports executives and nationally known business leaders.

The highlight of the trip for Becker, who's been on all five Super Bowl excursions, is always seeing

students have an experience at a national event that they can list on their resume and describe in job interviews. Students take what they've learned in course work in areas such as event planning, marketing/promotion, sales and strategic planning and apply it at a national sporting event.

"Prospective employers have a sense that Fredonia students have been on a pretty big stage and know something of how an event of this magnitude is run," Hite said.

Students also gain valuable experience working in huge crowd settings, while staying calm and thinking quickly, or "doing things on the fly," Bankoski noted, when assigned locations are changed in the middle of a work shift.

"Seeing it all come together at a major sporting event is truly rewarding for them," added Becker, who accompanied the students along with Hite. "They really enjoyed it. It's always great to see students get this experience."

Students typically earn 1 internship credit hour for SPMG 400, Super Bowl Host Committee Intern. They gain knowledge in the processes that are involved in the promotion and marketing of grand events such as the Super Bowl, added Tracy Collingwood, director of Engagement and Career Development.

Time is also made available for sightseeing in the host city. Students gathered at their hotel on Sunday evening to take in the game on a big-screen television.

Fredonia has sent students to Super Bowl festivities five times in the last seven years, visiting nearly every part of the U.S. along the way. Their first Super Bowl was in 2013, when the game was played at Mercedes-Benz Superdome in New Orleans. After a two-year hiatus, Fredonia returned to big game festivities in Santa Clara, Calif., home of Levi's Stadium, in 2016, and went every year thereafter. These included Santa Clara, NRG Stadium in Houston and U.S. Bank Stadium in Minneapolis.

"All indications are that students really enjoyed it," Becker said. "When I asked students in one of my classes who wanted to go next year, all hands went up."

The Impact of CEO Activism on Shareholder Wealth: An Exploratory Event Study

In March 2015, Apple CEO Tim Cook made headlines when he publicly announced Apple's opposition to Indiana's Religious Freedom and Restoration Act (RFRA), legislation which allowed individuals and companies to assert their exercise of religion as a defense in legal proceedings. Opponents of the law, like Cook,



Dr. Julie Fitzpatrick,
Associate Professor

argued that it would lead to LGBT discrimination. Cook stated via Twitter that "Apple is open for everyone. We are deeply disappointed in Indiana's new law and calling on Arkansas Gov. to veto the similar #HB1228." Cook's announcement is just one of many recent examples of CEO activism. CEO activism refers to CEOs publicly expressing opinions about social and political issues that are generally unrelated to their businesses (Chatterji and Toffel, 2016). In recent years, CEOs have taken public positions on a number of controversial social issues including same-sex marriage, climate change, immigration, and gun control. To cite a well-publicized example, when Nike announced in September 2018 that it had chosen Colin Kaepernick as the new face of its 'Just Do It' ad campaign, the stock market reaction was significantly negative and this was attributed in part to a vocal backlash on social media from some Nike consumers. I investigated the effect of CEO activism on a firm's stock price. To the extent that a CEO takes a public stance on a controversial issue, he or she risks a backlash from consumers that do not share the same opinion and this might negatively impact the firm's stock price.

To examine the stock price reaction surrounding an announcement of CEO activism, I use event study methodology. Event studies are commonly used in finance and economics to assess the effect of a corporate event on a sample firm's stock (Brown and Warner, 1985). If markets are efficient in processing new information, then the impact of an event on shareholder wealth can be measured

by calculating abnormal returns surrounding the announcement.

I use two different measures of Abnormal Returns (AR). One measure is the AR relative to the Market, where the market is measured by the S&P 500 index. Using this measure, a firm's AR on a given day is its return minus the market's return. The second measure of AR is estimated via the 'Market Model.' In the Market Model, we first find a firm's expected return by estimating its beta coefficient. Beta measures how much systematic risk a stock has relative to the market. Higher beta stocks have higher systematic risk and thus have higher expected returns. I estimate beta for each sample firm by regressing each firm's daily stock returns on daily market returns before the event (announcement of CEO activism). I use this beta to estimate each firm's daily expected return. Then, each firm's AR for a given day is its actual daily return compared to its expected daily return. Finally, for both measures of ARs, I calculate Cumulative Abnormal Returns (CARs) for several event windows surrounding the event (Day 0). CARs for each event window are calculated by adding daily abnormal returns. For example, a firm's CAR for event window (-1,+1) is the sum of the firm's abnormal return for the day preceding the announcement, the day of the announcement, and the day following the announcement.

My final sample includes 18 instances of CEO activism among publicly-traded corporations since 2014. To minimize the likelihood of other firm-specific announcements confounding the results, I eliminated firms with other event window announcements that might influence the results, such as an announcement of earnings, dividend increases or decreases, or analyst upgrades or downgrades.

My results provide some evidence that CEO activism negatively affects shareholders over the short-run. The average CAR relative to the market from the day before an announcement to the day following an announcement is negative 1.25% and statistically significant at a level of 5 percent. While CARs relative to the market index are significantly negative for the (-1,+1) event window, they are negative but statistically insignificant when the Market Model is used to estimate abnormal returns.

I focused on stock price reaction over a short event window, but the long-term effects on shareholders have not yet been examined. For example, Nike realized a significantly negative abnormal return surrounding its announcement of Colin Kaepernick as the new face of its 'Just Do It' campaign, but the stock price recovered over the following month. In addition, stock price reaction to a CEO activism announcement might depend on how closely the issue relates to the firm's business. In other words, a CEO speaking out about gun control, for example, may garner a different market reaction than a CEO speaking out about immigration reform or President Trump's travel ban, since the latter is more likely to relate to the firm's 'bottom line.' As CEO activism events become more common, future research should explore these and other issues.

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Participants in this year's IRA Volunteer Tax Assistance Program included (front row from left): Alexis Witkowski, Benjamin Tarnowski, Kaylei Russell, Dr. Linda Hall and Emily Kasperek; (back row): Carley McNamara, Papa Blankson, Christie Fils-Aime, Morgan Simons, Elizabeth Rehrauer, Hanna Schultheis, and Lydia Wesley

Accounting Students in VITA Program Generate Near \$1M Tax Refunds

The IRS Volunteer Income Tax Assistance program provides free income tax preparation services for low to moderate income level individuals. This is the 39th year that SUNY Fredonia's accounting students have been providers of these services.

The student volunteers in many cases have taken the first taxation course, and then train and complete an IRS administered preparer certification exam at the advanced level. Once they are certified they volunteer their services to the community from January through April.

This program takes a lot of planning and preparation, most of which is carried out by our student program coordinators.

This year's coordinators were Tylar Marco, Kaylei Russell, Scott Boehnke, Matthew Yost-Lipschitz, Brittany Tuzzo and Benjamin Tarnowski.

We start planning in early fall and attend a site administrator workshop and run a software training session for our volunteers in December.

They recruit and coordinate the training of student volunteers, and take them through the certification process. With the assistance of our Technology Incubator and the School of Business and its staff, our volunteer sites were up and functional Monday, Thursday and Saturday from February - April 15th.

The coordinators spent countless hours making sure the site runs smoothly and that taxpayers are served efficiently and professionally. For this they should be commended.

Our 38 student volunteers accumulated over 1400 volunteer hours and prepared 575 (up 20% from last year) federal and state returns, yielding about \$970,000 in tax refunds for our local taxpayers.

I know that each of them will walk away from the experience with a greater sense of confidence, professionalism, and the feeling of giving back to the community that can't be achieved in any other type of professional community service.

To recognize our accomplishments and impact in the region, each volunteer has received a certificate from the IRS. Volunteers were also recognized by the United Way and the office of volunteer services on campus.

- Dr. Linda Hall

Business Club Annual NYC Trip

The Business Club travels to New York City annually in order to allow students to visit local businesses, network with professionals, and participate in other business related activities. During this year's trip, the students were fortunate enough to visit and tour Euromoney Institutional Investor, a London based company with a main office located in Manhattan, New York. Euromoney provides data, price reporting, and analytical insight about markets worldwide to interested companies within an industry. This information is mainly conveyed through



Left to right: Davonna Johnson, Alexis Petit, Stephanie Akselrod, Molly Gibbs, Hayley Mack, Noel Allezi

online publications and printed magazines, with subscriptions costing up to \$3,000 per year. This transfer of information keeps the financial markets between the United States and other countries around the world interconnected.

The office visit to Euromoney Institutional Investor was extremely beneficial to all of the student's personal understanding of the company along with their professional development. We were first given an introduction of the company, mainly focusing on their wide presence in the market with Euromoney being the parent company to various other companies with narrower purposes. Their wide presence in various sectors truly gave us a glimpse of the magnitude of a well-known international company. We were additionally fortunate enough to partake in an office tour, where students were submerged in a professional, high paced work environment. As we toured this beautiful and modern office we stopped at various employee's desks to gain input of their job, including responsibilities, experiences, and opportunities.



Aside from visiting Euromoney Institutional Investor, being submerged in the culture of New York City was an educational experience for all of the students. During our time, we were able to see various buildings and historical landmarks which truly showcased the culture and environment of New York City's financial district. Walking down Wall Street allowed students to take in the rich history and culture, as well as seeing the New York Stock Exchange, known as the biggest stock exchange in the world, and the Federal Hall, the birthplace of American government. It was additionally interesting to compare this environment to downtown Buffalo and Rochester, allowing us to expand our professional horizons.

- Stephanie Akselrod

New Honor Society Established for Business Administration Majors



Pictured left to right: Professor Tai Yi, Brigham Pratt, Professor John Olsavsky, Jennifer Barron, Emily Matson, Caitlyn Croft, Steven Staversky, Gabrielle Cartwright, Interim Dean Moj Seyedian, Brittany Tuzzo, Kaylei Russell, Benjamin Tarnowski, Professor Lisa Walters, Allison Robins, Professor Julie Fitzpatrick, and Professor Linda Hall

The International Honor Society Beta Gamma Sigma has recognized scholastic excellence in the world's top business schools since 1913. The Society now welcomes the addition of the newest Beta Gamma Sigma chapter at the SUNY Fredonia. In doing so, the Society also congratulates the school's first group of outstanding students who will be inducted as lifetime Beta Gamma Sigma members.

Now that the School of Business at the SUNY Fredonia is installing a chapter of the honor society, it joins more than 450 other top schools around the world, all of which have achieved specialized accreditation in business through AACSB International – The Association to Advance Collegiate Schools of Business. Membership in Beta Gamma Sigma should now become the goal of each student majoring in business and management.

The Society's membership comprises the brightest and best of the world's business leaders. Election to lifetime membership in Beta Gamma Sigma is the highest honor a business student anywhere in the world can receive in an undergraduate (baccalaureate) or master's (post-baccalaureate) program at a school accredited by AACSB International. The top business and management students at the SUNY Fredonia will now join an expanding worldwide network of more than 750,000 business professionals.

Beta Gamma Sigma membership provides recognition for a lifetime. This lifelong commitment to its members' academic and professional success is defined in the Society's mission: to encourage and honor academic achievement in the study of business, to cultivate and celebrate leadership and professional excellence, to advance the values of the Society and to serve its lifetime members.

Inducted Students: Stephanie Akselrod, Brigham Pratt, Jennifer Barron, Allison Robins, Gabrielle Cartwright, Kaylei Russell, Caitlyn Croft, Steven Staversky, Brian Dunn, Benjamin Tarnowski, Molly Gibbs, Brittany Tuzzo, Michael Kreuz, Sam Wagner, Benjamin Logan, Jordan Willard, Emily Matson, and Kevin Yirneec.

- Dr. Tai Yi
Beta Gama Sigma
Faculty Advisor

Meet Professor Kathryn Pucci-Schaefer

1. What courses do you teach?

I have taught various classes for Fredonia including Facility Management, Sport Event, Event Management, Body Sculpting (Tabata), Zumba, and Zumba Sentao (with Chairs).



2. If you could teach a new course, what would it be?

I will actually be teaching a new course Yo-Chi this Fall. This course will blend the favorite and the most effective standing and floor-based yoga postures with Chinese Ta'i Chi movement patterns for the arms and legs. It's a fusion program that gives you benefits in both stability or strength and mobility.

3. Tell me a little about your teaching style.

I am an interactive teacher. Regardless of the class I like to collaborate with the students. While there is a time and a place for lecture I am most comfortable with bringing practical experience and thought provoking dialogue into each classroom setting.

4. What suggestions do you have for students to be successful in your courses?

The key to success in my classroom is to participate and interact. Asking questions, cooperating with peers, and being present in the moment are keys to success.

5. What are your pet peeves in the classroom?

One of my pet peeves in the classroom is the student who shows up but will not contribute to class.

6. How long have you worked at Fredonia?

I have been at Fredonia for 20 years.

7. Where were you before joining Fredonia?

Before working at Fredonia I taught at Fredonia High School.

8. Where did you do your previous college studies?

I have both a Bachelor and Masters degree from SUNY Fredonia. Over the years I have continued to add to my education at various institutions.

9. Why did you decide to come to Fredonia?

I started and continue to work as the Head Cheerleading Coach in the Athletic Department. I have continued to take classes and worked my way into an Adjunct Professor position in the Department of Applied Professional Studies.

10. Who has been your biggest influence in life?

My biggest influences in my life continue to be my mother and father. They started Pucci's Carpeting and Furniture business out of the back room of a delicatessen. They worked hard and dedicated themselves to their work and family. Life has not always been clear sailing but they never faltered and held their vision of a better life.

This past Fall my parents Michelene and Ronald Pucci, were proud to give back to the campus which has given them so much knowledge and support over the last 45 years by donating a gathering room for the Admissions Department.

11. What advice do you have for graduating seniors?

Live in the moment but plan for the future. This is a fine balance as you transition into adulthood. Stopping to enjoy the small pleasures in life is an essential.

12. What do you like about the Applied Professional Studies department?

Our students are excited to be in the field. The real life experience of attending for instance the Super Bowl help them to develop a better understanding of real life situations. This personal development is a key element in their success after graduation.

13. Is there anything else you would like to share with our readers?

Love what you do. I wake up and look forward to each day. I feel lucky to say that my work is my passion.

Alumni Spotlight

With a major in Economics and a minor in Banking and Finance, Max Pickard '78 had no problem landing his first full-time job with Marine Midland Bank of Jamestown, NY, in 1979. He ultimately attained the position of Assistant Vice President and Commercial Banking Officer, a position he held until 1987 when he transitioned to Fleet Bank of New York in their Jamestown branch. At this time, Max had gained enough experience to be offered the position of Vice President. He stayed with Fleet Bank for a period of five years, during which he also joined the Board of Chautauqua Region Community Foundation, a non-profit organization with assets of \$60M and annual grants of \$2M. The relationship with the Foundation, which has lasted to present, involved various positions of Board Member, President, Finance Committee Chair, and member of Axel W. Carlson Award Selection Committee. In recognition of his extraordinary dedication and exceptional service, in 1990 the Foundation bestowed upon him the Certificate of Appreciation.



Max Pickard

In 1993, Max left Fleet Bank for new positions of Vice President and Business Development Officer at PNC Bank with operations in Jamestown, NY and

Warren, PA. Two years earlier, he had added another organization to his list of community involvement, The Western Region Corporation – a revolving loan fund serving Erie, Niagara, Chautauqua, Cattaraugus, and Allegany Counties. Because of his outstanding service to the Southern Tier Community, in 1996 he was awarded the Stan N. Lundine Award by Southern Tier West Regional Planning and Development Board.

Since 1998, Max has been employed by Cattaraugus County Bank, an independent community bank located in Little Valley, NY. He currently serves as the bank's Executive Vice President and Chief Lending Officer responsible for overall supervision and management of the lending function of the bank.

Max is not only an extremely successful banker, but also a talented leader dedicated to serving his community. In 2013 he received John D. Hamilton Community Service Award from Chautauqua Region Community Foundation as well as a Certificate of Special Congressional Recognition from Congressman Tom Reed.

As another valuable community service, from 2006 to present, Max has been an active member of the Business School Advisory Council at his beloved Alma Mater – SUNY Fredonia. He currently serves as President of the council. Under his leadership, the council continues to be a source of insight on curricular matters, provide internship opportunities for students, and help with program development.

Business Matters is a student-run online publication of the School of Business Student Advisory Council

For story ideas and comments, contact the Editor: Inderdeep Bajwa at bajw5680@fredonia.edu