

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

• I would like to take this opportunity to thank each member of the School of Business Student Advisory Council for a job well done - facilitating communication and interaction amongst student clubs, the faculty, and the general student body. For the 2017-18 academic year, the council members were:



- Scott Boehnke (President, Accounting Society, spring)
- Victoria Wilhelm (President, Accounting Society, fall)
- Anna Reinert (President, American Marketing Association)
- Shania Hilts (President, American Society for Quality)
- Emily Buck (President, Business Club)
- Kevin Yirinec (President, Delta Mu Delta Honor Society)
- James Young (President, Financial Management Association)
- Kimberly Van Opdorp (President, Music Industry Club)
- Keith Ruiz (President, Sport Management Club)

• A hearty “welcome aboard” to the new secretary of our Economics and Applied Professional Studies departments, Ms. Lisa Weaver, who joined us at the beginning of the semester, replacing Ms. Kellie Sacilowski. Ms. Weaver is a highly experienced secretary. She has already learned the intricacies of her new job quite well as you can see by her speedy and helpful responses to your various email, telephone, and in-office questions.

• There are going to be a couple of administrative changes in the Applied Professional Studies

department this summer and fall. Due to the department Chair’s research projects overseas this summer and a sabbatical leave in the fall, Dr. Stuart Shapiro (Music Industry) and Dr. Sungick Min (Sport Management) will be supervising the department as Interim Chair during the summer and fall semesters, respectively.

• Just a heads up that beginning Fall 2018, ECON 201 (Macroeconomics) and ECON 202 (Microeconomics) will become ECON 210 and ECON 205, respectively.

- Dr. Moj Seyedian

Fredonia Student Entrepreneurs Win ‘Best All Around Pitch’ at WNY Student 2 Biz Competition



Alex Czechowski (second from left) and Nate Winn, along with Management professor Dr. Susan McNamara, present the traveling WNY Student 2 Biz Challenge trophy to President Virginia Horvath.

Alex Czechowski and Nate Winn from the State University of New York at Fredonia won “Best All Around Pitch” honors for NexNest — a web application they developed that connects students with local landlords and offers other services to help make

student renting a positive experience – in a student business plan competition at the WNY Student 2 Biz Challenge held recently at Hilbert College.

Included with their win was \$1,500 to invest in their company, along with the honor of having the traveling WNY Student 2 Biz Challenge trophy live at Fredonia for a year.

WNY Student 2 Biz Challenge pitted over 20 student teams from seven Western New York colleges and universities who each pitched their business start-up to panels of investors and business leaders. Mr. Czechowski (senior, Computer and Information Sciences, from Fredonia) and Mr. Winn (senior, Business Administration: Marketing, from Pat-chogue) won the technology category earlier in the day which entitled them to advance to state finals in Albany on April 27.

“Alex and Nate have inspired other students to create, plan and execute on their dreams to start up their own business,” said Management professor Susan McNamara, who serves as the chair of the steering committee of Student 2 Biz and coaches student teams from Fredonia. “They live the motto that business can be fun!”

NexNest has been operating for over one year, having established a firm footing in Fredonia, and there are plans to expand to the University at Buffalo, SUNY Buffalo State and Oswego. The Fredonia duo also won the Fredonia Student Entrepreneurship contest last year at the Fredonia Technology Incubator with prizes including a year of assistance at the incubator which enabled the company to grow through learning business skills and gaining access to legal and accounting assistance.

NexNest has innovated during its first year of operation by creating a campus ambassador program and pivoting its business model. Czechowski and Winn brought Chantel Perez and Joey Conti with them to the competition as they represented the team that has been built by NexNest.

Since day one, NexNest has allowed Czechowski and his team to have a great learning experience and has brought them closer to the community they serve,” Czechowski said. “It has personally taught me (the) importance of having our stakeholders’ interests in mind, which has lent itself to a network of support from our university, village officials and our

customers — both landlords and students alike.

“I have been able to get hands-on experience in developing a business, a product, managing a team and manage growth using a lean strategy. These professional and personal experiences I’ve gained through NexNest have set me up for great future opportunities, particularly with potential employers. I certainly would not be where I am today without the countless lessons I’ve learned from becoming a small business owner and being my own ‘boss.’”

Student 2 Biz is a program of the Western New York Consortium for Higher Education. Fredonia President Virginia Horvath serves on the executive committee which oversees over 25 Communities of Practice across the 21 participating colleges and universities. For more information about student entrepreneurship contact Dr. McNamara via email and for more information about NexNest email.

The Demand for Money for EMU: A Flexible Functional Form Approach

The European Central Bank (ECB) is among a few central banks that attribute a special role to money under its two pillar strategy. ECB achieves its goal of price stability by economic analysis and monetary analysis. Monetary analysis, which is one of its pillars, includes analyzing monetary aggregates. The need for a measure of monetary aggregates, which are theoretically consistent for economic unions, such as the European Union (EU) and European Monetary Union (EMU), is highly relevant.



**Dr. Neepa
Gaekwad-Babulal**

In this paper we have analyzed four monetary assets of the EMU that includes currency in circulation, overnight deposits, deposits with agreed maturity and deposits redeemable at notice. The analysis includes eleven European Monetary Union (EMU-11) countries: Estonia, Finland, France, Germany, Ireland, Italy, Luxembourg, Malta, Netherlands, Slovakia, and Slovenia.

In case of the economic unions like EU and EMU the most widely used monetary aggregate is simple

sum monetary aggregate. A basic question that this paper answers is: are the simple sum aggregates for the EMU-11 justified? A necessary condition for the simple sum aggregation would be that the monetary assets within the EMU-11 are perfectly substitutable. The substitutability among monetary assets for the EMU-11 is analyzed within the framework of a representative consumer's utility function, using Barnett's (1983) locally flexible functional form, the minflex Laurent Indirect utility function. The analysis of elasticities with respect to the asset's user-cost prices shows that: (i) currency in circulation, overnight deposits and deposits redeemable at notice are income elastic, (ii) the Allen elasticity of substitution and Morishima elasticity of substitution for these monetary assets show that they are not perfect substitutes of one another within the EMU-11.

The necessary condition for the simple sum monetary aggregation is that the component monetary assets are perfect substitutes, but the results show that for EMU-11 the component monetary assets are not perfect substitutes of one another. Hence simple sum monetary aggregation for EMU-11 would be an inappropriate measurement of the monetary aggregate.

This paper further adopts Divisia monetary aggregation approach, which is consistent with index number theory and microeconomic aggregation theory. The result is a multilateral Divisia monetary aggregate, in accordance with Barnett (2007). The multilateral Divisia monetary aggregate for the EMU-11 is found to be more informative and a better signal of economic trends than the corresponding simple sum aggregate. This paper is forthcoming in the journal "Open Economies Review" (In Press, DOI 10.1007/s11079-017-9453-0). The ECB has Divisia monetary aggregates provided to the Governing Council at its meetings, but not to the public. These European Divisia monetary aggregates will be expanded and refined, in collaboration with Wenjuan Chen at the Humboldt University of Berlin, to a complete EMU Divisia monetary aggregates database to be supplied to the public by the Center for Financial Stability in New York City.

References:

Barnett, William A, 1983. *New indices of money supply and the flexible Laurent demand system*. *Journal of Business and Economic Statistics*, vol 1, no 1, pp 7-23.

Barnett, William A, 2007. *Multilateral aggregation-theoretic monetary aggregation over heterogeneous countries*. *Journal of Econometrics*, vol 136, no 2, pp 457-482.

Meet Professor Renta Barneva

1. What courses do you teach?

Since I have come to Fredonia 17 years ago, I have taught over 20 different courses in computer and information sciences. When I joined the School of Business three years ago, I started teaching technology-related courses to business students. Currently, I offer digital marketing and data analytics.



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

The computer and communication technology plays a crucial role in our life. I would love to develop and teach a course on the impact of technology on the society.

As a short term goal: we proposed and got approved a Freshman Seminar for the Department of Applied Professional Studies. It will start being offered in Fall 2018. I would be very happy to teach this course. It prepares the students to be successful at Fredonia, acquaints them with the information systems that they can use, the policies and procedures, teaches them how to take notes, prepare for exams, reduce stress, think critically, and familiarizes them with the various student services. Most importantly, it helps build the sense of community and belonging to the place.

3. Tell me a little about your teaching style.

My teaching style depends on the type of the course. Some courses require more lecturing; others are taught in labs and the students solve problems using computers. In general, I like to teach the course in interaction with the students.

This year I got involved with the Open Educational Resources (OER) Initiative, which tries to eliminate the requirement of expensive textbooks offering courses with low- to no-cost teaching materials. I proposed the course Digital Marketing for Music Industry to become an OER course and it got approved. This approach is not only saving money to

the students, but provides the most current information. On the other hand, it requires constant updating of the teaching materials.

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

I do not check attendance in my courses, but I encourage active participation through questions, answers, and attendance of related events. Participation is part of the student grade.

5. What are your pet peeves in the classroom?

Disengagement.

6. What kind of research are you working on?

I work in the field of data analytics. It offers enormous opportunities, but also poses enormous ethical challenges to the society. It is interesting to note that the recorded data increases with such a rate that if we trace them from the beginning of the humanity until now, we will see that most of them were recorded only in the last couple of years. E-mails, Internet searches, social networks postings, security camera records, measurements from various sensors, astronomy, health, financial and other records give us the possibility to come up with new ways of predicting the weather, working the land, curing people, and obtaining scientific knowledge. Methods and models for data organization, storage, verification, and information retrieval are sought in all fields. However, it also gives incredible advantage to the individuals that have these data and the methods and computational power allowing them to extract knowledge.

7. How long have you worked at Fredonia?

I worked for 17 years at Fredonia.

8. Where were you before joining Fredonia?

I have been a professor at various universities in Europe.

9. Where did you do your undergraduate and graduate studies?

At the University of Sofia, Bulgaria.

10. Why did you decide to come to Fredonia?

I was interested to join the State University of New York, because SUNY is a very reputable university. In particular, there were some famous scientists in my field working at SUNY. I was thinking at the time that there is a strong scientific collaboration between the campuses. This was not exactly the case, but I liked the life at Fredonia, because everything is at close proximity, the village is very safe, and the people are friendly. I also appreciate the cultural life the campus offers – there is a big choice of concerts, performances, and invited speakers on campus.

Although, SUNY campuses do not have the close research connections I expected, I was able to meet and establish scientific relationships with many SUNY colleagues and I am proud to be a Fredonian and part of the SUNY family.

11. Who has been your biggest influence in life?

My parents were pioneers in computer science. They instilled in me scientific curiosity, hard work habits and perseverance.

12. What advice do you have for the graduating seniors?

Do not think that your study is over after graduation. Stay current with the new trends and technologies and use every opportunity to learn new things.

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

I like everything about the department – the faculty, the students, and the programs. This is the best department I have ever worked for and I am so fortunate to be part of it.

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

Thank you for reading my thoughts! In the information age, when streams of information are pouring from all sides, I am grateful that you found time for this article.



The Accounting Society Valentine's Day Cards

This year one of the Accounting Society members, Roberta Samson, suggested the idea of making Valentine's Day cards for an elderly home in our area. The executive board agreed that it would be a great way of brightening the day for the elderly population, get our name out there, and participate in something outside the accounting world.

On Tuesday February 13th following our executive board meeting, the board stayed in W301 Thompson Hall and hand made over 60 cards for accounting faculty and residents of the St. Columban's Retirement Home located in Silver Creek, NY. While we were accomplishing the task at hand, making all of the cards, it also served as a great way for the board members to enjoy each other's company while not having to discuss any business obligations. It took nearly two hours, but nonetheless, each and every card was made that night!

On February 14th, Valentine's Day, the President: Scott Boehnke, Treasurer: Todd Boberg and Special Events Chair: Roberta Samson made the 20 minute drive out to the retirement home. They hand delivered each and every card to the residents as they were enjoying their lunch. The hand delivery made it all worthwhile when you could feel the appreciation in the air. The board members had the opportunity to share casual conversation with the residents and the entire day turned out to be a total success. We were showered with thanks on our way out and the Accounting Society plans to work with the Retirement Home again in the future.

The greatest takeaway from this is that a little work can really go a long way. The change of pace in the resident's daily schedule and the presence of some new faces definitely made each and every one of their days more enjoyable. In fact, a few of the elderly folks were alumni of Fredonia and were ecstatic to see that the school is still flourishing and giving us young people the opportunity to receive a phenomenal education.

Business Person of the Year Award



Left to right: Alexis Witkowski, Ashley Hagler, Brooke Lewis, Mayor Wilfred Rosas, Stephanie Akselrod, Louann Laurito-Bahgat, Sham Bahgat, Emily Buck, Nicole Guidone, Chantel Perez, and Professor Linda Hall

Sham Bahgat and Louann Laurito-Bahgat, of Bahgat & Laurito-Bahgat, Certified Public Accountants, were honored by the Business Club as the recipient of its Business Person of the Year award at a dinner held on Friday, March 23, 6:30 p.m., at the Clarion Hotel, 30 Lake Shore Drive East, Dunkirk.

The award, now in its 40th year, recognizes local business professionals for their hard work and dedication to the community. The husband-and-wife team are 1988 graduates of Fredonia and operate Bahgat & Laurito-Bahgat, an accounting firm in Fredonia that provides financial services to individuals, small and large businesses and other agencies.

Ms. Laurito-Bahgat is an accounting lecturer in the School of Business and a member of the Fredonia College Foundation Board of Directors.

The reception featured guest speaker Wilfred Rosas, mayor of the City of Dunkirk, as well as Fredonia faculty and staff, members of the Business Club, and local business owners.



Hail! Fredonia Records Hosts 2nd Annual Dog Walk

Hail! Fredonia Records, as part of the Student Record Label class in the Music Industry Program at Fredonia, organized its second annual dog walk, "Lend a Paw for Autism: Star Paws," on Sunday, April 22, from 11 a.m. to 4 p.m., on campus.

Proceeds of the "Star Wars"-themed dog walk will benefit the Institute of Autism Research at Canisius College. Fredonia students, staff, and community members were invited to register for the walk, either individually or as a team. All registrations came with a free commemorative T-shirt that was provided at the event. Upon conclusion of the walk, a reception took place in the outdoor amphitheater, that included music performances as well as the sale of food and refreshments.

"The Student Record Label class is unique in that it offers students the chance to apply their learning to real events at a professional level," stated Professor Armand Petri. Students of both the Music Marketing and Promotions and Student Record Label classes organize numerous charitable events every year involving the Fredonia community.

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**

Alumni Spotlight

Angelica M. Alvalle successfully completed the last course requirement for a Bachelor of Science degree in Finance from Fredonia this spring and will join the ranks of Fredonia Alumni as a May 2018 graduate. Although it took her 17 years to attend to the one course requirement she had left towards her degree, she built a successful career for herself in the banking industry in the meantime.



Angelica M. Alvalle

It was back in January of 2002 when Alvalle, confronted with a job offer as a mortgage processor with Twinstar Mortgage Inc. in Amherst, NY, decided to take a leave of absence from Fredonia and accept the offer of employment at Twinstar where she worked for a year with 20+ lenders assisting mortgage originators in all phases of approval and closing processes.

Equipped with the necessary experience gained at Twinstar, in July of 2003 she continued her line of work at another financial institution--HSBC Mortgage corporation in Depew, NY. This three year stint provided Alvalle with enough experience that in March 2006 the company decided to promote her to Retail Sales Loan Officer.

By August 2010, Alvalle had established herself as a high profile banker in the Western New York banking industry. At this time she decided to leave HSBC for FNFG-Key Bank, in Amherst, NY, as a Senior Mortgage Specialist, a position that she still holds.

While an active student at Fredonia, Alvalle was the President of the Financial Management Association. She believes this position helped her tremendously in applying the financial theories she learned in the classroom to real life business situations, and therefore preparing her for a successful banking career.