

PENN STATE

# Smeal

SPRING 2023

MAGAZINE



## BUILDING ON A FOUNDATION

HOW JOHN AND KAREN ARNOLD  
MADE PHILANTHROPY  
A CORNERSTONE  
OF THEIR SUCCESS

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## Smeal

MAGAZINE | SPRING 2023

Smeal Magazine is published four times each year for the alumni and friends of the Penn State Smeal College of Business by the Office of Marketing and Strategic Communications, in collaboration with the Office of Development and Alumni Relations.

**John and Karen Arnold Dean**  
Charles H. Whiteman

**Address**  
389 Business Building  
University Park, PA 16802-3603

We welcome alumni news and letters. Please send them to [magazine@smeal.psu.edu](mailto:magazine@smeal.psu.edu).

**About Penn State Smeal**  
The Penn State Smeal College of Business is a vibrant intellectual community offering highly ranked undergraduate, graduate, doctoral, and executive education to more than 8,000 students from 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.

Opinions expressed are not necessarily shared by the University, the publishers, or the editors. For readers with disabilities, this publication can be made available in alternative media on request. Penn State is committed to affirmative action, equal opportunity, and the diversity of its workforce.

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**SMEAL ON ICE**

Beyond its sponsorship support of Penn State Intercollegiate Athletics, Smeal was well represented at Pegula Ice Arena and on the men's ice hockey team in 2023. Be sure to check out the summer issue of Smeal Magazine to learn more.

**Smeal**

MAGAZINE | SPRING 2023

**SMEAL DIVERSITY STATEMENT**

We will make a meaningful impact on a society in which too many derive benefit from systemic racism and other forms of prejudice and bias, both implicitly and explicitly. Using our influence as a global leader in business education, we will strive to make life better for people who experience oppression by virtue of age, religion, disability, race, color, ethnicity, national origin, gender, gender identity, sexual orientation, veteran status, political affiliation, language, family structure, marital status, socio-economic status, geographical background, education, or professional experience. We acknowledge the global business community as a powerful force for social justice, and we commit to provoking thought, conducting research, sparking dialogue, engaging with others, and preparing future leaders to advance this essential purpose. Together, we will take action to nurture and promote a culture in which everyone feels safe, valued, respected, and empowered to bring themselves fully and authentically to our campuses and classrooms.

- We will:
- Condemn acts of racism, prejudice, and bias
  - Actively listen to the concerns of those who experience oppression
  - Continuously evaluate our policies and practices regarding hiring, training, recruitment, and pedagogy
  - Collectively study the history of racism, injustice, and bias, and pursue contemporary solutions through research and education
  - Engage with community leaders to increase diversity and instill a universal sense of belonging on and off our campuses

Photo by Steve Manuel

**The Future of Business Education**

The economic downturn in 2008 has been widely blamed for a decline in domestic birth rates. In a few years, the number of high school graduates across the country will begin to drop, creating an “enrollment cliff” for colleges and universities. At Penn State Smeal, our applications and enrollments are as strong as ever. In fact, we received close to 18,000 applications last year — an increase of more than 20 percent over the previous year — and more than 900 students accepted our offer of fall admission to Smeal at University Park.

While a school of our size and stature expects to be insulated from the harshest effects of the enrollment cliff, college leadership and the Smeal Board of Visitors remain focused on how this demographic shift will impact the future of business education.

We must continue to attract high-achieving high school students and offer a foundation for exceptional future business leaders. That begins with renowned educators; helping students develop critical thinking skills and the ability to present, write, and persuade; and offering experiential learning opportunities. These are the keys to success in the 21st century.

We must also foster a lifelong thirst for knowledge. Twenty-five years ago, students graduated from Smeal confident that they had the tools they needed for a successful career. Today, rapid technological advancements can make those tools and skills obsolete in a

Photo by Bill Cardoni



much shorter period. Here are two ways Smeal is building upon its commitment to lifelong learning and engagement:

**1. A CONTINUUM OF PROGRAMS FOR ALL CAREER STAGES**

The new executive doctorate in business administration, which will launch this fall, is the next step in our evolution, bringing late-career learners into the fold. Next, we'll invest in market studies to ensure we offer the broadest range of concentrations while cultivating opportunities to serve early-career professionals.

**2. A BROADER, MORE FLEXIBLE SET OF LEARNING OPTIONS**

These include credit and non-credit programs in which

**Charles H. Whiteman, John and Karen Arnold Dean**

learners may participate in the classroom or from their home or office via live synchronous instruction.

At Smeal, we want to be your lifelong learning partner. We'll work hard every day to ensure that the programs and opportunities available to all our learners, from undergraduates to late-career professionals to business executives, remain at the forefront of business education.

# Introducing the Better Business Podcast

The Penn State Smeal College of Business has introduced a new podcast series that offers research-based insights and industry perspectives on the issues and trends shaping the world of business. Hosted by award-winning financial journalist and Smeal alum Farnoosh Torabi, the Better Business Podcast features Smeal

alumni and faculty members as well as other high-achieving thought leaders in the world of finance, accounting, supply chain, marketing, management, real estate, and international business. Listeners can subscribe to or download episodes at most popular streaming services or at [www.smeal.psu.edu/podcast](http://www.smeal.psu.edu/podcast).

EPISODE 1

## Raising the Minimum Wage:

How firms are balancing political, financial, and labor pressures.

GUESTS:

Matt Gustafson, *associate professor of finance and Stuart and Michele Rothstein Early Career Professor*

Brian Dreibelbis '85 Opmgt, *senior director of supply chain HR/Labor & Employee Relations, Land O'Lakes*

Talk of raising the federal minimum wage from \$7.25 to \$15 per hour or higher has gained urgency in recent times. Skyrocketing food and living expenses, and increased competition for workers who want more than just money also are putting pressure on firms to offer higher wages. What does the future hold?

"I think this is all very positive in our country. It's a lot more of a social balance versus business," says Brian Dreibelbis, a 1985 graduate of Penn State Smeal and senior director of Supply Chain HR/Labor & Employee Relations for agribusiness and food com-



pany Land O'Lakes. "Certainly, we want to be profitable, but I'd say we want to be as profitable within the eyes of society and do the right thing for employees and their families, making sure that we're supporting and making business plans as well."

Matt Gustafson, associate professor of finance and Stuart and Michele Rothstein Early Career Professor, agrees that there needs to be a balance in the cost-benefit discussion around raising worker wages.

"Rules and laws are really good economic tools for maximizing the size of the pie, if that's what you want to do," he notes. "But we, as a society, need to decide what constraints we want to put on that process because maybe other objectives like equity also matter."

The classic argument, accord-



ing to Gustafson, is that an increase in the minimum wage will lead to a reduction in the number of employees. However, his research aimed to understand whether such an increase in the minimum wage might adversely impact a firm's propensity to make capital investments. For example, a firm might choose to forego opening that 20th restaurant to offset the increase in wages paid to employees in the other 19 locations.

"We found a negative relationship between minimum wage increases and capital expenditures among employers with a high percentage of minimum wage workers," Gustafson says.

But Dreibelbis contends that manufacturing companies like Land O'Lakes are investing more in physical capital, especially in automated machines like churns

Matt Gustafson (left), associate professor of finance and Stuart and Michele Rothstein Early Career Professor, and Brian Dreibelbis (right) '85, senior director of supply chain HR/Labor & Employee Relations at Land O'Lakes, discuss the ongoing debate about raising the minimum wage in episode 1 of the Better Business Podcast.

# Better Business Podcast

Research-based and industry insights on the issues shaping the world of business. Hosted by Smeal alum Farnoosh Torabi, financial journalist and host of the podcast SO MONEY.

Listen Now

Subscribe, download, and share from your favorite podcast streaming service.

BETTER

EPISODE 2

## Supply Chain Disruption and the Future of Globalization:

Is Made in America back?

GUESTS:

Brent Moritz, *associate professor of supply chain management*

Jerome Griffith '79 Mktg, *executive vice chair and member of the Board of Directors, Lands' End*

The COVID-19 pandemic and other forces spurred widespread disruption in the global supply chain, dramatically slowing shipments, causing shortages of essential products, and creating inflation-

and evaporators to process milk, butter, and other products, because of the difficulty in finding workers interested in performing certain tasks. Shift work, noise, and even travel time have been negative factors.

"The desire to work has changed so much in our country," Dreibelbis says. "Automation helps us make sure that we can handle our orders going forward, and that's why we're investing more than we did three to five years ago.

"People are willing to give up that four or five bucks an hour to work less and maybe work closer to where they live," he says. "What we're finding is more and more people really want at-home time, and that's because some of the social values have changed." —Maura C. Ciccarelli

ary pressures that are pinching consumers at the pump and the cash register. What's behind all of it? And what does it mean for the future of globalization?

"I've never seen a disruption like that in my career," says Jerome Griffith, a 1979 graduate of the Penn State Smeal College of Business and the recently retired chief executive officer of Lands' End, an American clothing and home décor retailer. Griffith, who now holds the position of executive vice chair and is a member of the firm's Board of Directors, points to a convergence of factors — radical shifts in consumer demand, transportation bottlenecks, and skyrocketing raw material costs — that compelled Lands' End and companies around the world to abruptly revisit almost every aspect of their operations.

"For example, we had to organize our design staff to be able to design products without seeing one another and without seeing

the products,” he says. “We were beginning a six-month transition to 3-D design that we implemented in about five weeks.”

How did we get here? It’s a question asked by many in the past few years. Brent Moritz, associate professor of supply chain management at Penn State Smeal, points to a variety of factors, including the rise of outsourcing in the early 1980s to achieve economies in production. Firms reaped the benefits of lower labor costs, which led to the growth of global logistics, and the proliferation of “Made in China” labels on products consumed by millions of Americans.

“Supply chains thrive on what we call swift and even flow,” Moritz explains. “And for decades, we experienced swift and even flow, with a few minor exceptions. COVID upended that dramatically. It’s no longer swift, it’s no longer even, and the benefits of outsourcing are no longer what they once were.”

Griffith says the cost of transportation and raw materials exacerbated the impact of the pandemic on his firm and posed a significant threat to its bottom line.

“We sell a lot of supima cotton. In fact, we’re the third largest manufacturer of supima cotton goods in the world, and those costs increased 50% because of drought conditions in many

countries,” he says. “We had to go back and relook at what we’re making products from and what goes into those products in order to balance average unit cost with average unit retails.”

The impact of COVID, the war in Ukraine, and an increase of natural disasters at home and abroad have left many questioning the economic benefits — and future — of globalization. Is “Made in America” back?

“I’ve lived overseas for 16 or 17 years of my career. My wife is from Europe. And I’ve always

thought globalization is something that is a big plus for the world — not just because of global trade, but because of understanding other people and looking at things from a different culture’s perspective. I still believe those are good things.”

Yet, Griffith and Moritz both advocate for a clear-eyed assessment of globalization’s risks as well as a robust diversification strategy for managing the procurement of resources, production, and transportation of goods in the future.



**Brent Moritz**, associate professor of supply chain management (left) and **Jerome Griffith '79 Mktg** (right), executive vice chair and member of the Board of Directors at Lands' End, discuss the future of globalization in episode 2 of the Better Business Podcast



**Margaret Luciano** (left), associate professor of management & organization and BNY Mellon Faculty Fellow, and **Andrew Moses '07 Acctg** (right), a vice president with MorganFranklin Consulting, discuss the new way of working in episode 3 of the Better Business Podcast.



“Companies are getting a lot more thoughtful about their supply chains,” Moritz says. “They’re adding second sources, and sometimes they’re thinking about reshoring. Until recently, Apple manufactured its iPhones in China. But they chose to produce some of the iPhone 14s in India for diversification purposes. It gave them a second source.”

– Rick Ayers

EPISODE 3:

## The Future of Work:

How can managers increase flexibility without losing productivity?

GUESTS:

Margaret Luciano, associate professor of management & organization and BNY Mellon Faculty Fellow

Andrew Moses, '07 Acctg, vice president, MorganFranklin Consulting & host of Everybody Pulls the Tarp podcast

**W**ith companies calling employees back to the office and valuable talent pushing for more flexible remote work, a compelling back-and-forth rethinking of the work environment has ensued. How can managers create highly effective teams working in this new work paradigm?

“There are certainly advantages to what we would call the traditional way of working versus the new way of working,” says Andrew Moses, a 2007 graduate of Penn State Smeal and vice president with MorganFranklin Consulting, a strategic management consulting firm. “I think it’s incumbent upon leaders to make sure we make the most of all

these different modalities of work.”

Margaret Luciano, associate professor of management & organization and BNY Mellon Faculty Fellow at Penn State Smeal, advises leaders to delegate more while creating “zones of discretion” — areas where employees have responsibility as well as structured flexibility to prevent things from going awry.

Moses adds two important leadership skills to the mix: self-awareness and empathy.

“If you’re self-aware, then you can plug weaknesses and put people around you that are complementary to your strengths and lead with empathy,” he says. “Employees and team members want someone who can hear them, see them, understand what they’re going through, and convey that. That’s not something that is necessarily easy to get trained on. Some of that is a skill maybe that you’re born with, but some of that’s something that you really have to work on and develop over time.”

He also recommends that leaders focus on being a “net giver” by giving more to others than they receive or take. “It creates that contagion effect [so] people value and respect and want to give to others.”

As for who has the most influence on how flexible a company can be, Luciano says the power

dynamic among workers and corporate leaders will continue to shift as everyone tries to navigate this new reality.

“It’s the complexity and dynamism of this environment which has been rapidly accelerated,” she notes, adding that training managers on how to navigate to achieve results will be critical.

Employees are also looking to their companies to pay attention to their holistic well-being, Moses notes, which could mean taking a tip from high-performing athletes. Moses has interviewed more than 130 Olympians, pro athletes, bestselling authors, CEOs, and other high-performers.

“Most Olympians are working with mental skills coaches for a very, very long time,” he says. “I think we’re going to see [that] permeate more into the business world not only in the form of executive coaches but really digging into what are mental skills and how can we develop and flex mental skills the same way we would look at cultivating a skill set in a more traditional, technical area as part of an annual goal.” – Maura C. Ciccarelli

## Smeal Thought Leaders

Penn State Smeal faculty members and researchers are frequently asked to contribute to conversations about topics of importance to consumers and business leaders around the globe. Here are a few national media stories that featured insights from Smeal thought leaders:

The  
Philadelphia  
Inquirer

### HERE'S HOW MUCH SOME EAGLES FANS ARE SPENDING TO BE IN PHOENIX FOR THE SUPER BOWL

This article, which quotes Brett Christenson, assistant clinical professor of marketing and director of the Sports Business Program, appeared in the Philadelphia Inquirer on Feb. 9.

*"An airline or a hotel or the NFL, they're incentivized to [increase prices] because their competitors are going to do it, and it's what the market is demanding."*

FT FINANCIAL  
TIMES

### WHAT DIFFERENCE DOES IT MAKE? THE ART OF QUANTIFYING RESEARCH IMPACT

This piece, which cites research conducted by Matt Gustafson, associate professor of finance and Stuart and Michele Rothstein Early Career Professor, was published in the Financial Times on Jan. 15.

*"In an article in the Journal of Financial Economics, Asaf Bernstein and Ryan Lewis at the University of Colorado at Boulder and Matthew Gustafson at Pennsylvania State University explore the price discounts on seafront properties at risk of flooding — with implications for evaluating different climate change policies."*

Compiled by Andy Elder

CNN.com

### WHY YOU SHOULD AVOID ONLINE RETURNS, ACCORDING TO THE EXPERTS

This article, which quotes Dan Guide, Smeal Chaired Professor of Operations and Supply Chain Management, was featured on CNN.com on Dec. 15.

*"Tech goods and office supplies can be resold as certified refurbished and fetch a discounted price, but used household appliances and furniture are met with disgust, says Guide. The disgust factor is a psychological construct that has a close relationship with disposal. 'The higher you score on the disgust scale, the less likely you are to tolerate any form of remanufactured product like vacuum cleaners, coffee pots and hand mixers,' Guide explains. 'When you get to personal care items like Sonicare toothbrushes, the general attitude is, 'Get the hell away from me.'"*

POLITICO

### AN UNPOPULAR CRUSADE AGAINST SUSTAINABLE INVESTING

Published in "The Long Game" newsletter in Politico on Dec. 8, this piece was based on a survey conducted by Penn State Smeal's Center for the Business of Sustainability.

*"The public tends to side with companies rather than legislators in the war on wokeism," the report found. "Consensus sentiment among these voters centered on the notion that companies should be able to exercise their discretion regarding how they use their own funds and if companies wanted to invest in ESG initiatives that benefited society they should be allowed to freely do so without government interference."*

Bloomberg

### HAVE WE BEEN MEASURING HOUSING INFLATION ALL WRONG?

Research conducted by Brent Ambrose, Jason and Julie Borrelli Faculty Chair in Real Estate and director of the Borrelli Institute for Real Estate Studies, and Jiro Yoshida, associate professor of business and King Faculty Fellow, was cited in an analysis of the consumer price index that appeared in Bloomberg and reprinted in The Washington Post on Nov. 21.

*"Does this truly represent market prices? That is, if you're on a two-year lease, or you're a long-term renter with a good relationship with your landlord, does the change (or lack of it) in your rent accurately reflect what's going on with the cost of housing? Probably not, argued economists Brent W. Ambrose and Jiro Yoshida of Pennsylvania State University and N. Edward Coulson of the University of California at Irvine in a series of papers ..."*

WSJ

### RISING INTEREST RATES HIT BANKS' BOND HOLDINGS

This piece, which appeared in the Wall Street Journal on Nov. 11, included insights from Ed Ketz, associate professor of accounting.

*"Sometimes, though, bondholders have to sell in ways unforeseen. Many U.K. pension funds last month, for example, were forced to sell government bonds to raise cash for collateral calls triggered by rapid increases in bond yields. 'That's the only justification for having held-to-maturity: It's so the banks would not have all this volatility in earnings for something that is presumed to be transitory,' said Ed Ketz, an accounting professor at Pennsylvania State University. 'But ask the question, what if the inflation is not transitory? The numbers are huge, absolutely huge.'"*

## Mentoring program to open to one-year residential masters students.

With the evolution and growth of Penn State Smeal's residential professional graduate program offerings, the Smeal undergraduate mentoring program will expand to serve one-year residential master's students beginning in fall 2023.

One-year residential programs include:

- Master of Accounting
- Master's in Accounting Analytics
- Master's in Business Analytics
- Master of Finance
- One-Year Early Career MBA

Master's in Real Estate Analysis & Development

According to Brian Cameron, associate dean for professional graduate programs and executive education, many one-year master's students continue their learning journeys directly after earning a bachelor's degree.

"Because these students often have limited work experience, industry mentors can share useful insights about potential career paths, roles, and workplace experiences," he says. "This will be a great complement to our existing student and career services."

Jen Crispell, Smeal's director of alumni relations says the success of the program each year is dependent on alumni volunteers.

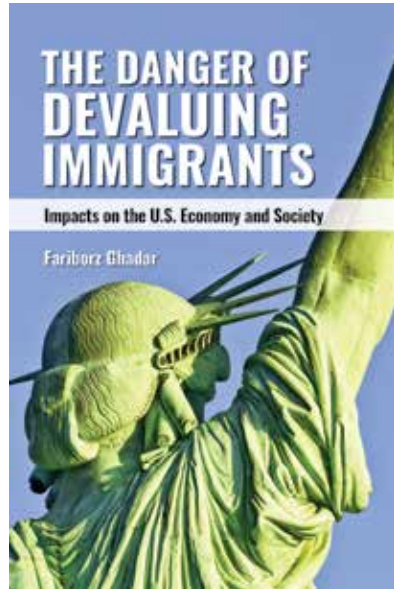
"Smeal has more than 90,000 living alumni representing many unique backgrounds and professional experiences, and I am grateful to the alumni who volunteer as mentors each year. As we get ready to accept professional graduate students into the program, we'd like to grow our pool of mentors so that we can continue to make the most robust matches."

Alumni and friends can read more about the program and opt-in to the database of mentors for the 2023-2024 program by scanning the QR code below.

—Anne Louise Cropp



Scan to learn more



## GHADAR AUTHORS BOOK ABOUT U.S. IMMIGRATION

Fariborz Ghadar, William A. Schreyer Chair in Global Management, Policies and Planning, has written a book titled "The Danger of Devaluing Immigrants." The book explores the impacts on the U.S. economy and society and investigates the substantial roles of immigrants in critical industries and sectors across the U.S. economy, among other topics.

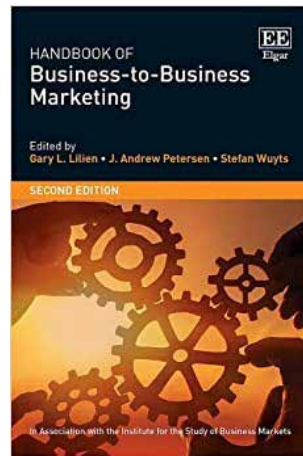
— Andy Elder

## SMEAL RANKED 6TH IN THE WORLD FOR SDG SIGNIFICANCE

A Financial Times article titled "What difference does it make? The art of quantifying research impact" included two lists of machine learning analysis of UN Sustainable Development Goals articles by business school professors in the FT50. Smeal was ranked No. 6 globally on a list that measured SDG significance. The lists were generated from analysis by Wilfred Mijnhardt at the Rotterdam School of Management. — Andy Elder

## ISBM INTRODUCES 2ND EDITION OF "HANDBOOK OF B2B MARKETING"

Penn State Smeal's Institute for the Study of Business Markets has introduced the second edition of its landmark "Handbook of Business-to-Business Marketing." This edition provides an updated comprehensive overview of business-to-business marketing by the leading academic scholars and practitioners in the field from around the world. It is the only such book on B2B marketing in print. — Andy Elder



Karen Winterich (left), Gerald I. Susman Professor in Sustainability, was presented a 2023 Society for Consumer Psychology Distinguished Scientific Contribution Award at the 2023 SCP conference in San Juan, Puerto Rico. She is pictured with Gita Johar, SCP president, and Coqui, the mascot for the conference, to represent the Puerto Rican culture.

## Marketing Influencer

Karen Winterich continues to make an impact on the field.

Karen Winterich, professor of marketing and the Gerald I. Susman Professor in Sustainability, continues to widen her influence on the marketing discipline. She has been named one of four

co-editors of the Journal of Marketing Research. Winterich was also elected to become the president of the American Marketing Association Academic Council in 2023-24. The AMA has 38,000 members worldwide

and is one of the most respected professional organizations among academics, practitioners, and public policy makers who engage in marketing. Winterich was also recently named a recipient of a 2023

Society for Consumer Psychology Distinguished Scientific Contribution Award at the 2023 SCP conference in San Juan, Puerto Rico.

— Andy Elder

TOP REVIEWS CAN HELP SWAY SHOPPERS, BUT THERE ARE LIMITS.

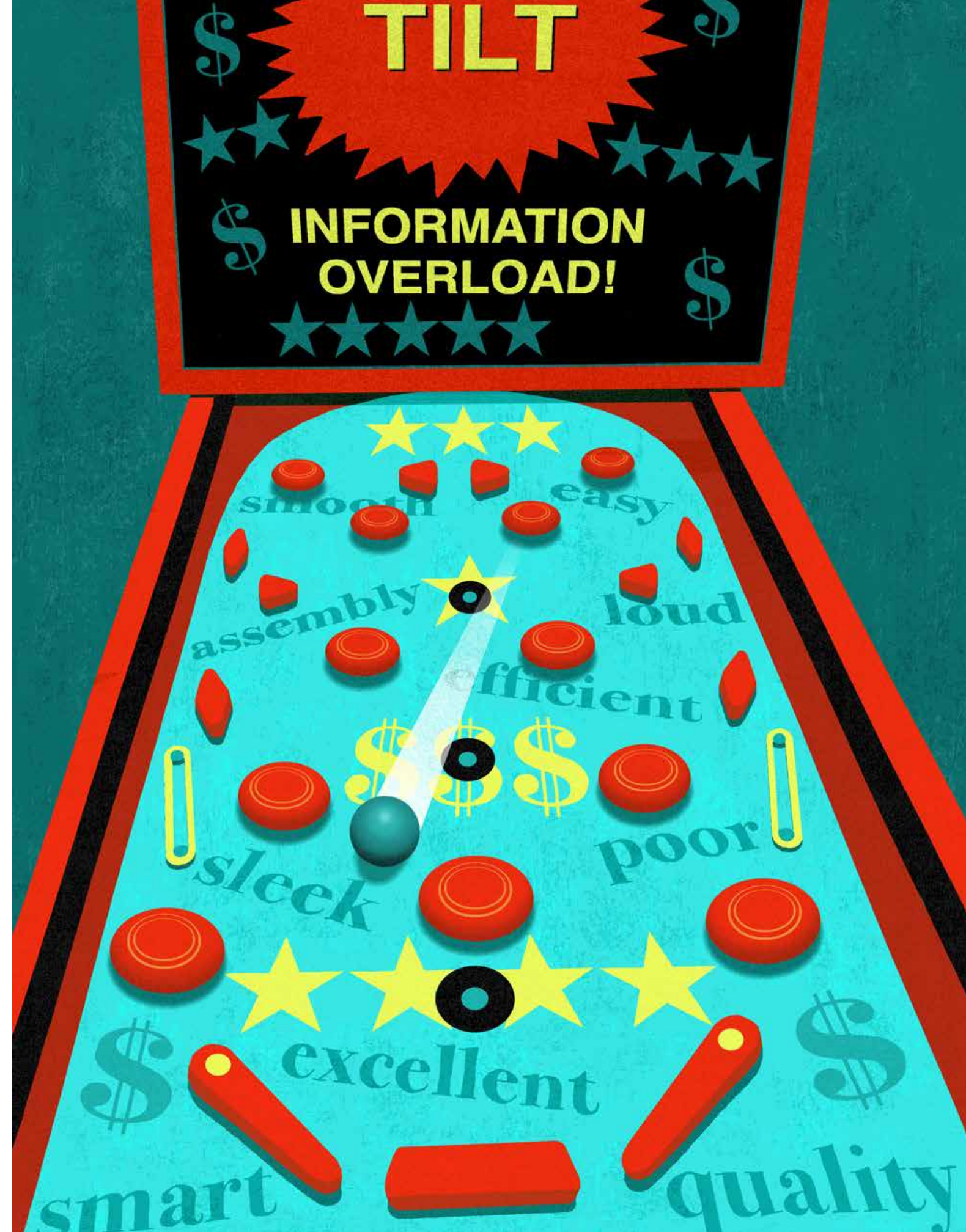
# REVIEWING REVIEWS

**A**lthough featured — or top — reviews on e-commerce sites can help cut down on information overload for customers trying to make purchasing decisions, too many of them can pose an overload of their own, according to researchers at the Penn State Smeal College of Business.

In a study of products and product reviews on online retail giant Amazon, the researchers found that top reviews, or those that consumers have endorsed as the most helpful, can lead to higher sales and improved customer satisfaction. However, too many featured reviews can cause their influence to wane.

“We found that when there are too many top reviews you fall right back into the trap where there is just too much information for the consumer,” says Wael Jabr, assistant professor of supply chain and information systems. “In this natural experiment, we had some products with just three top reviews and others with significantly more. For products with way more top reviews, we saw the value of those top reviews goes away.”

BY MATT SWAYNE / ILLUSTRATIONS BY JAMES STEINBERG





The researchers used data from about 2.2 million reviews of 1,000 products on Amazon, including all review-related information, such as the overall number of reviews and featured reviews of those products. Sentiment of reviews was determined by the rating the customers gave the product. The researchers also tracked the Amazon sales ranking of the studied products over a 10-month period.

The effectiveness of the top reviews was based on how the performance of individual products changed over time. Specifically, the researchers looked at how the reviews started to disperse in their ratings and how the product sales rank changed.

The study was published in the September 2022 issue of *Management Information Systems Quarterly*.

According to Jabr, e-commerce sites chose to feature reviews because popular products tended to generate a high volume of reviews.

“For example, when Amazon put out the Echo Dot smart speaker, more than a million customers reviewed that product within the first four years of its release,” says Jabr. “So, do we need a million reviews to make a good decision on what to buy? Probably not. At a certain point, then, companies started to realize there is an overload that customers will face when we have to navigate this content. Retailers eventually came up with a variety of ways to kind of help you navigate this content, one of which is featuring reviews.”

## SENTIMENT MATCH

The researchers also found that the influence of top reviews is strengthened when their opinions tend to match the overall sentiment of the other reviews.

“Amazon shows you the overall ratings of the reviews — for example, how many people gave it a four-star rating, or, how many people gave it a two or three, etcetera,” says Jabr. “We wondered, then, if the top review effect can be amplified. And it can. We found that when the distribution of top reviews and the distribution of overall reviews match, then the power of top reviews to influence gains strength. It is almost like there is a confirmation when the top reviews match what the crowd is saying.”

The power of top reviews to lift sales and satisfaction is limited, says Jabr, who worked with Mohammad Rahman, associate professor of management at the Krannert School of Management at Purdue University. For example, they found that top reviews lack the power to improve the status of less popular products.

The findings could help companies design better webpages and help customers make better decisions, says Jabr.

“Platforms, such as Amazon, are, of course, in the business of selling stuff, but selling stuff alone is not enough,” says Jabr. “Platforms want consumers to be satisfied with their purchases — and not return those purchases. They also want repeat consumers. In fact, Jeff Bezos himself is quoted saying ‘We don’t make money when we sell things. We make money when we help consumers make better decisions.’”

The study explores whether there is a defined optimal number of top reviews, according to the researchers.

“While the natural experiment does not compare every combination of numbers — for example two reviews compared to three reviews, or two compared to four — we found that products with three reviews fared better than products with a varying number of reviews ranging from four to 10,” says Jabr.

In addition to being thoughtful about selecting and displaying top reviews on a webpage, the researchers also suggest that, at a certain point, companies should switch from encouraging customers to review products to asking them to endorse reviews.

“Retailers often default to sending you an email saying, ‘Please rate our product,’ which we think is great,” says Jabr. “But when there are enough reviews, they may want to find a way to nudge the customers to decide on top reviews because that’s going to be much more valuable than writing one more review.” **S**

**“SO, DO WE NEED A MILLION REVIEWS TO MAKE A GOOD DECISION ON WHAT TO BUY? PROBABLY NOT.”**

WHEN ROLES IN LIFE SEEM INTEGRATED,  
BUDGETING MAY BE MORE FLEXIBLE.

# ROLE MODELING

BY MATT SWAYNE



People juggle multiple roles in their lives. They may see themselves as both an executive and a mother, for example, or a musician and a student. Now, a team of researchers reports that the perception of how integrated these life roles are may influence how people move money across different budget categories.

In a series of studies recently published in the *Journal of Marketing Research*, the researchers found that people who perceive their life roles as integrated may be more willing to take money originally budgeted for a certain life role and spend it on an item associated with another role.

This ability of life roles — and life role integration — to shape spending offers new insights into how people approach their spending and budgeting behaviors, also referred to as mental accounting, says Sara Loughran Dommer, assistant professor of marketing at the Penn State Smeal College of Business.

“One of the major ideas behind mental accounting is that your money should be fungible; in other words, a dollar is always a dollar, no matter what,” says Dommer, who worked with Iman Paul, assistant professor of marketing at Clarkson University, and Jeffrey R. Parker, associate professor of marketing at the University of Illinois Chicago.

“But there are years and years of research that also show that people don’t treat money like that. If we have a budget for entertainment, let’s say, and a budget for travel, then we’re not really likely to take from one budget to spend on the other. We treat money that we’ve budgeted for one thing as just for that item, even though we could easily take that money and spend it on something else. What we show in this paper is that strictly holding to budgets for different categories is less likely for people who have what we call integrated roles.”

When people believe their life roles are somewhat similar, or serve a similar purpose, the roles are considered integrated. These roles can stretch across the entire spectrum of human activities — including family, occupational, leisure, and political roles.

The more integrated the roles, the more flexible the spending across budgets, she adds.

“Let’s say I have money earmarked for something related to work — maybe a new office chair — but

something comes up and I need to spend on my daughter, which is much more related to my role as a mom,” Dommer says. “If I see that my roles as a mom and as a worker overlap, then I’m more likely to take the money I saved for the office chair and spend it on my daughter.”

Knowing the influence of life roles can help consumers better understand budgeting, says Dommer, who adds that businesses, too, can use role integration — particularly the home-life and work-life role integration — to connect better with consumers.

“If you run a business and you’re selling something related to a certain role of a person, it could potentially benefit you to emphasize the kind of overlap between roles. That might make a customer more likely to buy an item because they can justify the expense of taking money from another part of the budget,” says Dommer.

## SERIES OF STUDIES

The researchers conducted five separate studies to explore the influence of role integration on spending. The first study, which included 201 participants, looked at the influence of role integration on the likelihood of consumers using funds budgeted for one role to purchase a product more closely associated with another role. The researchers also recruited 201 participants for a second study that featured a manipulated role integration in the experiment. In both the

third study (with 119 participants) and fourth study (with 282 subjects), the researchers studied whether justification influenced the link between role integration and the likelihood of a purchase. The team examined how the role integration effect would work for real-world decisions in the fifth study, which included 152 participants.

According to the researchers, the work represents a novel step to better understanding how life roles influence spending with room for future exploration.

For example, while the team looked at role integration, researchers might also examine the influence of role conflict on saving and spending. Researchers could also design experiments to examine reactions in real-world settings.

Because many of the experiments were conducted during the COVID-19 pandemic, Dommer and her colleagues suggest there might be an opportunity to see how integrated roles, work-family roles — which were drastically changed during the pandemic — can alter the integration of roles and whether that impacts spending and saving when conditions return more to normal. **S**

## DOES REPUTATION MATTER TO RATING AGENCIES?

# RATINGS GAME

BY KRISTA WEIDNER

The credit rating agency Moody’s Investor Service downgraded Twitter’s rating to a B- following the close of the social-media company’s leveraged buyout by Elon Musk and a resulting severe decline in revenue. “Twitter’s governance risk is highly negative reflecting Moody’s expectation for aggressive financial policies and concentrated ownership by Elon Musk,” Moody’s said.

The Twitter downgrade is a high-profile example of the research interest of two Penn State Smeal College of Business professors: Do credit agencies act responsibly when issuing ratings? Sam Bonsall, professor of accounting and Deloitte and Touche Teaching Excellence Professor in Accounting, and Karl Muller, associate professor of accounting and Robert and Sandy Poole Faculty Fellow, along with colleagues at Harvard Business School, New York University, and Purdue University, recently published a paper in the journal *Management Science* titled “Do Rating Agencies Behave Defensively for Higher Risk Issuers?”

“The concern that credit rating agencies cater to their clients and don’t provide early warnings of financial distress to investors is a topic that has gar-

nered significant attention in the business press since the early 2000s,” Bonsall says. “We wanted to find out if that concern is indeed valid.”

Three agencies worldwide — Moody’s Investors Service, S&P Global, and Fitch Ratings — conduct at least 95 percent of the ratings business for corporate bonds, as well as credit ratings for countries, local and state governments, and institutions such as universities.

Compensation of these three big credit rating agencies is a controversial issue, Bonsall explains.

“If a company wants to issue bonds, it goes to S&P, let’s say, for a credit rating. And that company pays S&P for the rating — it’s called the issuer pay model, and it’s the system that has been used since the early 1970s by all three agencies,” he says.

“But the issuer pay model has created this belief that there is a potential, at least, of conflict of interest whereby the agency — because its business is based on selling ratings — may be captured by its clients. If you’re S&P and a bond issuer is paying you a lot of money for a rating, will you give that company a rating it might not be worthy of because you want their business?”

For their study, the researchers gathered ratings data from the financial statements of real companies. They then measured the riskiness of each company based on market perception, and they measured how accurate, timely, and informative the credit ratings were for these companies over a period of time.

“And this is the way we specifically dialed in: A portion of the ratings are what we call mechanical and don’t call for any discretion,” Bonsall says. “But then there’s a lot of discretion that the agencies use to come up with the final ratings. Do agencies use discretion more judiciously in places where their reputation is more at risk?”

Bonsall and his colleagues focused on higher-risk companies in their study because if a credit rating agency misrates a riskier company, the result is more conspicuous. For example, if an agency gave a company a AAA rating and that company went bankrupt a year later, it’s likely that the agency was too optimistic, and the company didn’t deserve that high a rating.

After analyzing the ratings data, the researchers found that higher-risk companies that later ended up going bankrupt were much less likely to be misrated.

“This finding suggests to us that agencies were indeed scrutinizing and doing a better job for companies that eventually went bankrupt,” Bonsall says. “They used their discretion over their methodologies to go beyond what their models say for these



companies, assigning their best analysts to their rating teams because these agencies have a reputation to maintain.”

The researchers’ findings that rating agencies provide more accurate, timely, conservative, and informative credit ratings for higher-risk companies calls into question the conventional wisdom that they cater to their clients. While Bonsall acknowledges that the study results don’t completely discount the potential for misrating under the issuer pay model, a mitigating factor is that credit agencies depend on maintaining a quality reputation.

“The evidence we provide from our study serves as a counterpunch to prior academic studies that have portrayed the issuer pay model as more optimistic, slower to downgrade companies, and catering to client preferences,” he says. “The picture is more nuanced, and this is another side to the story. Credit rating agencies’ reputations are real, and they matter enough to affect their behavior.” **S**

*This study was partially funded by the Reeves Family Early Career Professorship in Accounting.*

HOW JOHN AND KAREN ARNOLD MADE PHILANTHROPY  
A CORNERSTONE OF THEIR SUCCESS

# BUILDING ON A FOUNDATION

**W**hen Penn State Smeal College of Business Dean Charles H. Whiteman celebrated his 10th year at the helm of one of the largest business schools in the nation, business leaders and philanthropists John and Karen Arnold wanted to do something special to show their appreciation for his “great leadership over the last decade.” They chose to make a gift to Penn State to endow the college’s dean’s chair.

John Arnold said Penn State Smeal, where he earned an MBA in 1987, instilled in him the foundational tools he needed to transform his family business. That transformation paid dividends and posi-

tioned the Arnolds to fuel their passion for making the communities they care about better places to live, work, and play.

As the inaugural John and Karen Arnold Dean, Whiteman says the Arnolds’ gift will provide financial resources for him and his successors to pursue bold educational opportunities, support innovative faculty research, and anticipate emerging global trends in industry, education, and society.

“John Arnold is a model of success. He’s taken his Penn State Smeal MBA and applied it to become an extraordinarily successful businessman and a trusted advisor, and he and Karen have become ex-

**John and Karen Arnold are passionate about making their communities better. Their success in business has positioned them to positively impact numerous mission-driven institutions, including Penn State Smeal.**



BY ANNE LOUISE CROPP | PHOTOGRAPHY BY CARDONI

ceptional philanthropists," Whiteman says.

The Arnolds' philanthropy extends far beyond Penn State and reflects a deep passion for giving back that, perhaps more than anything, defines their ambitions.

## THE KINDNESS COALITION

The couple met in 2014 and married two years later. Karen Arnold will be the first to tell you that, as a couple, she and John make most of their important decisions at the dinner table. Those decisions increasingly connect to their philanthropic activities.

The Kindness Coalition, a charitable foundation the couple established in 2015, is a leading example.

They say their mission is simple: to lend a hand to people in need by providing funding and support to health and human service organizations located primarily in central Pennsylvania and Berks County.

When it comes time to choose which organizations will receive grants each year, that gets decided at the dinner table.

Reading Hospital is just one of many local organizations supported by The Kindness Coalition. The hospital introduced a mobile mammography bus last fall to provide screenings for uninsured or underinsured women in Berks County.

"To know that this bus will go into underserved areas and offer mammography to women that wouldn't otherwise have access, and to know that The Kindness Coalition played a role in making it happen is a wonderful feeling," says Karen Arnold, who serves as president of the organization.

"Last year, we were able to provide funding to a local women's shelter to renovate their kitchen. When it's done, residents will be able to cook and eat together and have a real sense of community during a challenging time in their lives."

Since its inception, the foundation has awarded millions in grants.

**"LAST YEAR, WE WERE ABLE TO PROVIDE FUNDING TO A LOCAL WOMEN'S SHELTER TO RENOVATE THEIR KITCHEN. WHEN IT'S DONE, RESIDENTS WILL BE ABLE TO COOK AND EAT TOGETHER AND HAVE A REAL SENSE OF COMMUNITY DURING A CHALLENGING TIME IN THEIR LIVES."**

## HEDGING HIS BETS: HOW JOHN ARNOLD TRANSFORMED A FAMILY BUSINESS.

The Kindness Coalition was just starting as John Arnold was preparing to wind down his nearly 30-year-long professional career, which began when he joined the Arnold family business in 1987.

The timber, coal, heating oil, and coal burner delivery and service company was founded by his grandfather and great-grandfather in 1924. The Arnolds entered the fuel oil distribution business in 1953, and by 1990, had re-focused on petroleum pipeline terminals and industrial and automotive lubricants.

"People know about oil wells, they know about refineries, and they know about convenience stores. They also know that something happens in the middle, and that's what we did," John Arnold says.

When John Arnold joined the wholesale portion of the business — Petroleum Products Corporation (PPC) — in 1987, they were purchasing unrefined product from refiners in Philadelphia and New York Harbor and reselling it to home heating distributors and gasoline retailers.

"By the time you buy a product, stage it at the pipeline gathering point, ship it over the pipeline, move it to your storage tanks, hold it as inventory, and finally sell it to unbranded retailers, the process might take a month," he says. "Because the

**Karen Arnold and her husband, John, founded The Kindness Coalition in 2015. The charitable foundation provides funding and support to health and human service organizations located in central Pennsylvania and Berks County.**





## “WE DID IT IN A WAY MY DAD WOULD HAVE BEEN PROUD OF.”

When his father died unexpectedly in 1994, John Arnold became the fourth generation to lead the family business. The company grew 20 times in volume and 250 times in profitability over the next two decades.

product needed to be competitively priced when it went to market, there could be a lot of volatility in earnings. If the market went up, we’d make money. If the market went down, we’d lose it.”

Fortunately, John Arnold learned how to reduce that commodity price risk during his years at Penn State.

“People had started trading commodity futures to hedge against risk in the ‘70s, but when I joined the company, we weren’t doing that yet. What I learned in the Penn State Smeal MBA program allowed me and a colleague to develop a terrific hedging program,” he says.

By making investments to offset the risk of adverse price movements in the commodities market, John Arnold says they were able to smooth company earnings and open the door for other opportunities.

Because PPC was a commodity-based business, he says there was no way to really differentiate their product to grow their business. That left the throughput piece of the business (the volume of product moved over their pipeline for others), which at the time accounted for less than 10 percent of their overall revenue.

“We started to consider if it would be possible to buy pipeline terminals in our markets, close them, tear them down, and then build large industry facilities in their place,” John Arnold says.

The firm seemingly faced insurmountable obstacles: the existing terminals were owned by large companies such as Exxon, Mobil, Texaco, and BP; and they would require substantial investments for tanks, loading racks, and other capital expenses.

If John Arnold was successful, customers would be able to come in and pick up their own product. With no labor costs, he expected variable costs would be low.

“We had our strategy, and we relentlessly pursued it,” he says. “Shell became the first major company to give us their throughput business. It was a seminal moment for us to have a major oil company as a customer.”

When the Exxon Valdez ran aground in March 1989, spilling 11 million barrels of oil in Prince William Sound, Alaska, John Arnold said Exxon started to look for ways to mitigate future risk. “They got out of several business lines, including their pipeline terminals, and gave us a lot of their business after that accident. It was a huge turning point for us, and things really took off from there.”

When his dad died unexpectedly in 1994, John Arnold became the fourth generation to lead the family business. “It came as such a shock,” he says. “My dad was a terrific role model and I learned so much working with him.”

The company grew 20 times in volume and 250 times in profitability over the next two decades. Sales exceeded \$3 billion in a year.

“We did it in a way my dad would have been proud of,” John Arnold says. “We treated people right. We had open lines of communication; the best ideas ruled, regardless of where they came from, and we offered profit sharing to reward our employees for their hard work.”

John Arnold’s success helped put the couple in a position to give back to Penn State Smeal with gifts to assist students and faculty in the Department of Management and Organization, the Department of Finance, and the MBA program. Across the University, the Arnolds have also supported scholarships and other needs in areas including Intercollegiate Athletics, Penn State Health, and The Arboretum at Penn State.

At its peak, PPC had approximately 9 million barrels of storage capacity with terminals located across Pennsylvania, including Allentown, Altoona, Coraopolis, Dupont, Pittsburgh, Neville Island, Harrisburg, Northumberland, Sinking Springs, Mechanicsburg, Highspire, and Lancaster. Sales volume exceeded 4 billion gallons a year.

When Arnold recognized that there were limited opportunities for continued growth in the mid-2010s, he decided to sell the business.

Wanting to assure potential buyers that there were no environmental concerns, Arnold commissioned a Phase II Environmental Assessment. These studies, conducted by trained, licensed, and experienced geologists and engineers, looked for the presence, or absence of, petroleum products or hazardous substances in the subsurface of all of PPC’s properties.

“As we expected, our facilities were clean,” he says.

He sold the business to ArcLight Capital Partners in 2015 but remained at the helm of PPC Lubricants, the industrial and automotive lubricants business he started with just six employees at the turn of the 21st century.

Under John Arnold's leadership, PPC Lubricants became the U.S.'s fourth largest distributor (and largest privately held distributor) of commercial, industrial, and automotive lubricants, edible greases for the food industry, oil and gas drilling fluids, chemicals, and diesel exhaust fluid.

When John Arnold's son, who graduated from Penn State in 2017, pursued an MBA in Australia and made a permanent home there, John decided it was time to sell that business, too. The sale was completed in 2021.

## A PASSION FOR GIVING BACK

Now retired, the Arnolds spend more time working with The Kindness Coalition and their other numerous volunteer commitments.

Karen Arnold's enthusiasm for The Kindness Coalition is rivaled only by her work for the Board of Trustees for the U.S. Ski and Snowboard Foundation.

An avid skier herself, she grew up idolizing competitive skiers and says she was shocked to learn that almost all the funding for members of the U.S. Ski and Snowboard Team comes from the athletes themselves, or from private donations.

"During my time with the board, we've been working to raise \$20 million to establish an endowment to fund travel and other expenses for team members," she says. "I'm very proud to say that we're less than \$500,000 from our goal."

In 2020, Karen Arnold was appointed to the board of Penn State St. Joseph Medical Center Foundation, and she's previously worked with other nonprofit organizations, including Berks County Red Cross, Opportunity House, and the Junior League of Reading.

John Arnold, meanwhile, has been a member of the Penn State Smeal Board of Visitors since 2001. In 2019, he was awarded the Penn State Distinguished Alumni Award and named a Penn State Presidential Counselor.

He is on the executive committee of the Vail Valley Foundation, where he serves as the finance and investment chair, and the board of Alvernia University,

**"WE BOTH GREW UP IN CENTRAL PENNSYLVANIA; WE RAISED OUR FAMILIES IN CENTRAL PENNSYLVANIA. WE KNEW THIS IS WHERE WE WANTED OUR HOME TOGETHER TO BE AND THAT WE WANTED TO GIVE BACK TO THIS COMMUNITY."**

where he chairs the innovation subcommittee. John Arnold previously served on the boards of the Harrisburg Area YMCA and Sovereign Bancorp Inc.

He has also been a member of YPO (Young Presidents' Organization) for more than 30 years. The organization, which calls itself a "global leadership community of extraordinary chief executives," is known for its forums — a small cohort of trusted peers that members can turn to for insights and perspectives.

"My forum has been meeting once a month for the last 20 years. I've turned to this group for advice many times throughout my career and I've advised them based on my own experiences. Almost universally, the answer to any question can be found in that room," John Arnold says.

The knowledge gleaned from years of YPO forum discussions has undoubtedly unveiled novel approaches to leverage the impact of the Arnolds' philanthropy.

As the Arnolds reflect on this stage of their lives, they said they find great satisfaction in giving back. Up next — they are chairing the 2023 annual campaign for the United Way of Berks County.

"We both grew up in central Pennsylvania; we raised our families in central Pennsylvania," Karen Arnold says. "We knew this is where we wanted our home together to be and that we wanted to give back to this community." [S](#)

Now retired, John and Karen Arnold spend much of their time working with The Kindness Coalition and other volunteer commitments.



PENN STATE 2+2 STUDENTS FIND SUCCESS AT SMEAL

# THE ROAD TO UNIVERSITY PARK

It was a bittersweet moment the day Andrew Hoff found out he was accepted to the Penn State Smeal College of Business.

On one hand, the high school senior was overjoyed about being admitted into his dream business school, ranked as one of the best in the nation. On the other hand, the Thornton, Pennsylvania, native knew he wouldn't be able to afford the cost of living at University Park for four years.

"My parents and I decided that the best financial decision would be for me to live at home and commute to my local campus, Penn State Brandywine, for two years and then transition to University Park

to finish my degree," Hoff says.

Four years later, Hoff recently graduated from Penn State Smeal with a degree in finance and minor in economics. His journey has been defined by the 2+2 program, which offers students the option of developing professionally and personally at a Penn State commonwealth campus before transitioning to University Park.

At the beginning of his collegiate career, Hoff wasn't sure what to expect from the 112-acre Brandywine campus located just 20 miles outside of Philadelphia. But it didn't take long for him to feel right at home there and become a star player on the

Recent Penn State Smeal finance graduate Andrew Hoff knew he wouldn't be able to afford to live at University Park for four years, so he started his college experience at Penn State Brandywine, located near his Thornton, Pennsylvania, home.

BY MELISSA MANNO | PHOTOGRAPHY BY CARDONI



varsity baseball team.

In 2021, during the fall of his junior year, Hoff transferred to University Park to finish his degree. The transition, he says, was initially a bit jarring.

For one, he had settled in nicely to the charm and intimacy of the Brandywine campus and was enjoying the perks of commuting from home. And then there was the size difference that caused apprehension — the roughly 1,200 friendly faces he was used to seeing at the commonwealth campus versus the nearly 46,000 students at University Park.

“Having met people in my classes and through clubs, I found people to be very welcoming and willing to help,” Hoff says. “I have had the benefit of many people taking the time to help me navigate all that Smeal has to offer.”

Hoff is part of a much larger population of students who arrive at Penn State Smeal with two years under their belt from different Penn State campuses. And while most students in the 2+2 Program might feel eager and excited to embark on the next chapter of their Penn State journey, many fear the change.

At Smeal, change-of-campus students are supported with myriad resources aimed at making them feel welcome from the moment they step foot in Happy Valley, from mentorship programs and student organizations to seminars and sessions instructed by faculty and advisors.

## OPPORTUNITIES OPEN DOORS

By leveraging Smeal’s network of support, Hoff, who is also part of the Schreyer Honors College, was able to pursue his interests and sculpt his skillset as an emerging professional. During his first semester at University Park, he joined the Nittany Lion Consulting Group (NLCG), the university’s only faculty-supported, student-run consulting organization.

Throughout his time at NLCG, which serves Fortune 50 firms, international nonprofits, startups and other leading companies, Hoff has worked on real-world consulting engagements with a small nonprofit and was eventually elected engagement manager. The experience, he says, has helped him grow tremendously as a student, professional, and individual.

“The Nittany Lion Consulting Group taught me how to conduct myself as a professional and helped me find a full-time job in consulting,” says Hoff, who has joined Deloitte as a strategy consulting an-

## “I HAVE HAD THE BENEFIT OF MANY PEOPLE TAKING THE TIME TO HELP ME NAVIGATE ALL THAT SMEAL HAS TO OFFER.”

alyst in their Philadelphia office.

When he graduated Magna Cum Laude in May, Hoff boasted an impressive list of accolades that included the Debby Vinokur-Kaminsky and Howard Kaminsky Honors Scholarships, the Frederik and Sonja Wenzel Honors Scholarship, the Poole Family Honors Scholarship and the Nicholas Altobello Honors Scholarship. He was also a 2021 semi-finalist in the Business with Integrity Case Competition, where he and fellow students analyzed a contemporary business issue, as well as a speaker at the 2023 TEDxPSU showcase.

Hoff offers a word of advice to future students who transfer to University Park from another Penn State campus: Get involved with organizations that offer support, like Assistance in Transition to University Park (AT UP). As the current vice president for external affairs, Hoff has experienced firsthand how that and similar student organizations support the academic, professional, and social development of Smeal students transitioning to University Park through student mentorship.

As part of Smeal’s Diversity Enhancement Programs, AT UP strives to bring together student leaders from every campus to better serve the needs of students that undergo a change in campus. These campus leaders are trained in a two-day COBALT (Conference on Bringing Accelerated Leaders Together) forum to learn skills they can then pass on to the junior 2+2 students they will be mentoring.

“Getting connected with the students in that organization can benefit a new change-of-campus student because they’ve been in their shoes,” says Dawn Maguire, an adviser for the organization. “Mentors can help answer questions, help them feel a little bit less alone, or guide them so they

Philadelphia native Adam Romero had no intention of transitioning from Penn State Abington to University Park. He changed his mind while serving as a virtual orientation student leader during the COVID-19 pandemic.







might not make as many of the mistakes or trip-ups that the mentor might have made.”

## FROM PHILADELPHIA TO HAPPY VALLEY

**P**enn State Abington student Adam Romero had no intentions of transferring to University Park. A Philadelphia native, he had grown

comfortable with the proximity to home, and the idea of packing up and heading to the middle of central Pennsylvania felt daunting. He was worried about the location of campus and its rural surroundings after living in the city his entire life and, of course, there was the matter of his finances — how he would be able to afford the increased tuition and cost of living.

After learning all about the University Park campus while serving as a virtual orientation student leader during the COVID-19 pandemic,

**Penn State 2+2 students Andrew Hoff (left) and Adam Romero (right) took advantage of Smeal's Change of Campus Advising Ambassador Program, coordinated by adviser Dawn Maguire (center).**

## “IT HELPS MAKE THEM FEEL A PART OF THE SMEAL COMMUNITY FROM THE BEGINNING...”

Romero’s mindset changed — and he decided that was where he wanted to spend the remainder of his collegiate career.

His initial worries quickly faded upon his acceptance into the 2+2 program and arrival at University Park. With the help of his former supervisor and RA supervisor, Romero was able to secure scholarship funding from the University and the Hispanic Scholarship Fund. Then, in settling into life away from home, he realized his prior experiences serving as a resident assistant at Abington had been the perfect steppingstone to make the transition.

The management major also took advantage of the BA 297 (Career Planning and Strategies) course, taught by Professor Alexandra Stossel, which not only helped him transition to life as a new Smeal student but also in advancing his career with the instruction of resume writing, interview skills, and other business development topics. As an orientation leader, he also worked closely with the assistant director of transition programs to ensure a more flawless transition to University Park as a whole.

That smooth transition opened doors that defined Romero’s Smeal story. His extracurricular accolades — which include being a resident assistant, cohort member for the Latinx Leadership Institute, Task Force Member for the Smeal Ethical Leadership Challenge, and Executive Vice President of the Penn State Latino Caucus — have allowed him to drastically build and expand his network with faculty, staff, and alumni, while growing as a leader.

He summed it up simply: “Coming to Smeal was one of the best decisions of my life.”

## WARM WELCOMES AND SMEAL SUPPORT

**T**he resources Hoff and Romero leveraged during their change-of-campus experience only begin to describe the options that are available to students transitioning to University Park.

For the past 30 years, Smeal staff members have built and evolved a Change of Campus Advising Ambassador Program that has proved widely successful with 2+2 students. Every fall, ambassadors — who are academic advisers in the college — meet with change-of-campus students who are tracking Smeal majors and work with them to explain the college’s entrance-to-major process and establish a personal relationship for any questions or concerns the student may have.

“It helps make them feel a part of the Smeal community from the beginning and it gives them access to clubs and organizations at University Park that they otherwise wouldn’t be aware of or feel disconnected from,” says Maguire, who also serves as the change-of-campus coordinator.

Then there’s also the option for students to enroll in the BA 197 elective in which students are assigned to network with a Smeal alum, compete in the college-wide first-year seminar Honor and Integrity Competition, and participate in a seminar with the AT UP executive board and a leadership seminar with Penn State alumnae Sue Paterno and Mary Meder, president of Harmelin Media.

Outside of the elective, other seminars are available for 2+2 and other Smeal students, like Advising 101 virtual sessions, which provides important information about courses and majors, and Explore Smeal virtual sessions, which allow participants to become more familiar with their college.

Maguire also chairs the Change of Campus College Outreach Committee and hosts a meeting each August where John and Karen Arnold Dean Charles Whiteman and Associate Dean Felisa Higgins officially welcome students into their majors.

“We want them to feel like they’re a part of the Smeal family from the beginning,” Maguire says. **S**

# Three Smeal graduates receive 2022 Alumni Fellow Award.

Since 1973, the Alumni Fellow Award, the highest award given by the Penn State Alumni Association, has been presented to alumni who are considered leaders in their professional fields.

Penn State Smeal graduates Jean Oelwang, Larry Raiman, and George Strickler were among the most recent class of awardees.



## Jean Oelwang

Jean Oelwang believes in “disruptive detours.”

Her personal detours, while working on six continents over 18 years to help start up mobile phone companies, have included working as a VISTA Volunteer with homeless teens in Chicago and with the Foundation for National Parks and Wildlife in Sydney, Australia.

“These detours grounded me in humility so I could better understand other sectors and the importance of bridging divides for the greater collective good,” Oelwang says.

They also helped prepare the 1987 Smeal marketing graduate for her current role as founding CEO and president of Virgin Unite, an entrepreneurial foundation that builds leadership collectives, incubates ideas, and re-invents systems for a better world — a position she’s held for nearly 20 years.

Oelwang sits on several advisory boards, has been a TED and TEDx host and speaker, and is the recipient of several awards that recognize her leadership and commitment to sustainability.

—Anne Louise Cropp

## Larry Raiman

Larry Raiman has more than 30 years of experience in the real estate industry, beginning as a research analyst covering real estate investment trusts and culminating as managing principal, chief investment officer, and portfolio manager of LDR Capital Management, the investment advisory firm he helped found in 2011.

Raiman previously spent more than 15 years at Donaldson, Lufkin & Jenrette/Credit Suisse Group, where he ran the firm’s Global Real Estate Securities business, and was an adjunct professor at Columbia Business School.

Raiman graduated from Penn State with a degree in accounting in 1982 and earned an MBA from Columbia Business School in 1989.

“I feel such loyalty, passion, and appreciation for the University,” Raiman says. “It is where I learned to be a positive community member, a charitable individual, and to pay it forward through mentoring and other volunteer opportunities.”

—Anne Louise Cropp



## George Strickler

A second-generation Penn Stater, George Strickler earned a degree in accounting in 1969 and began his career with Goodyear Tire and Rubber Co. He spent 30 years in a variety of finance and treasury positions, culminating as vice president of finance and chief accounting officer.

Strickler then joined BorgWarner as its executive vice president and CFO in 1999 and later served as executive vice president and chief financial officer with Republic Engineered Products. In 2006, he joined Stoneridge Inc. as executive vice president and chief financial officer and retired in 2018 as executive vice president of strategic growth.

Strickler is currently chairman of the board of directors of Summa Health, a \$1.8 billion nonprofit health care organization in Akron, Ohio.

“My Penn State education pushed me to challenge myself and to find success in my career. To be honored by such a special place is one of life’s greatest honors,” Strickler says.

—Anne Louise Cropp

## Smeal alumni provide transformational support for Penn State Commonwealth Campuses.

**A**lumni and friends gave a record-setting \$116 million to benefit the Penn State Smeal College of Business during the University's "A Greater Penn State for 21st Century Excellence" fundraising campaign. But, Smeal graduates have also made a significant impact at other colleges and campuses across Penn State.

Here are four of many:

### Mark Gruskin

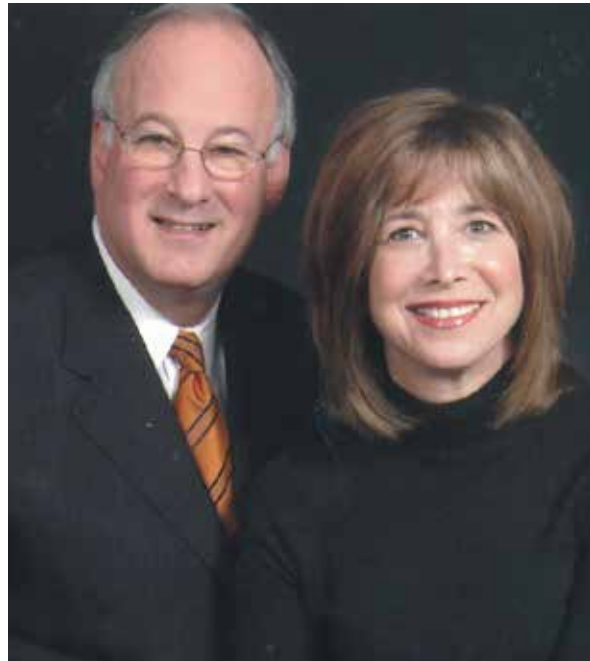
Mark Gruskin made his first major gift to Penn State Greater Allegheny in 1995. Since then, the associate professor of finance and accounting at Penn State Lehigh Valley has committed close to \$3 million to the Greater Allegheny campus.

Gruskin was among the first major donors to give to Greater Allegheny in the "Greater Penn State" campaign when he pledged \$50,000 to endow an Open Doors Scholarship in 2017. Through his estate, he has made provisions to create scholarships, endow faculty positions, and create a chancellor's excellence fund at the campus.

He has also pledged close to \$1 million to Penn State Lehigh Valley.

Gruskin earned a degree in computer science from Penn State in 1976 and an MBA from Smeal in 1979.

—Anne Louise Cropp



### Victor and Dena Hammel

Victor and Dena Hammel's families were directly impacted by the Holocaust, leading the couple to value the importance of learning and implementing lessons from history.

The Hammels were intrigued by the University's Holocaust, Genocide and Human Rights Education (HGHRE) Initiative, a multidisciplinary effort to provide training and resources to help K-12 educators teach a wide range of difficult topics, from the Holocaust and other genocides to racism or trauma.

In 2021, the Hammels gave \$450,000 to create an Eastern hub for the initiative at Penn State Berks. In August 2022, they committed \$5 million to create the Hammel Family Human Rights Initiative at Penn State to provide permanent endowed funding for the HGHRE Initiative.

Victor Hammel earned a degree in accounting in 1967. He is chairman emeritus of Rentokil Pest Control, North America, and the retired co-owner and CEO of Ehrlich Pest Control. Dena Hammel graduated in 1968 with a degree in speech pathology and audiology and is a retired social worker.

—Anne Louise Cropp

### Stephen and Nancy Sheetz

Stephen and Nancy Sheetz gave over \$7.8 million to Penn State Altoona during the "Greater Penn State" campaign.

Their support includes \$2 million for an endowed faculty position in Entrepreneurship, Innovation and Leadership as part of the campaign's Economic Development Matching Program; \$3.1 million to create full in-state tuition diversity scholarships; \$1.7 million for the Sheetz Fellows Program (which supports research, study abroad, and internship opportunities to enhance students' academic and professional experiences); and \$1 million to support Penn State Altoona's first emergency assistance fund and Ivyside Eats, the campus organization meeting the growing food insecurity crisis among students.

Over the years, the couple has given close to \$19 million to Penn State Altoona.

Stephen Sheetz, former CEO and chairman of the board of Sheetz Inc., graduated from Penn State in 1969 with a degree in management.

—Anne Louise Cropp



### Stephen Taub

In 2018, Taub made a \$17.3 million estate commitment to Penn State Abington, the largest gift in the campus' history. The Taub Endowments will provide high-impact opportunities for students through scholarships and global engagement programs focused on leadership, innovation, and multiculturalism within education, commerce, and government.

His lifetime commitment to Penn State Abington exceeds \$22 million.

Taub, a longtime president and chief executive officer of the world's largest natural licorice products manufacturer, graduated in 1973 with a degree in management.

—Anne Louise Cropp

## Smeal Alumni Lifetime Giving\*

With more than 90,000 living alumni, the Penn State Smeal College of Business has one of the largest alumni networks among all U.S. business schools. Across the University, alumni giving is vital to Penn State's mission to educate students from around the world and support individuals and communities through integrated teaching, research, and service programs. Here's how Smeal alumni are making a difference at Penn State.

# OF SMEAL ALUMNI WITH AT LEAST ONE GIFT TO PSU

**54k+**

PERCENTAGE OF SMEAL ALUMNI WHO HAVE GIVEN TO SMEAL

**51%**

PERCENTAGE OF SMEAL ALUMNI GIVING EXCLUSIVELY TO SMEAL

**10%**

GIVING TO PSU (EXCLUDING SMEAL)

**\$492.9 million**

# OF SMEAL ALUMNI GIVING TO THON

**24k+**

# OF SMEAL ALUMNI GIVING TO ATHLETICS

**10k+**

THON GIVING FROM SMEAL ALUMNI

**\$11.3 million**

ATHLETICS GIVING FROM SMEAL ALUMNI

**\$57 million**

## Investing in the Future of Fintech

Gift from Jeff and Wendy Gido aims to help Smeal students succeed in the rapidly growing industry.

**A**s a partner at Goldman Sachs, Smeal alum Jeff Gido has had a front row seat as technology has transformed the financial services industry over the last two decades.

Gido and his wife, Wendy, a fellow Smeal graduate, made a \$500,000 gift last year through the Goldman Sachs Gives program to support programs and initiatives that prepare students for careers in the fintech industry.

"When I first started at Goldman Sachs, fintech (financial technology) could mean anything from

ATMs to online banking to digitization of certain parts of the value chain," Jeff Gido says. "New companies were continually sprouting up in this space."

He adds that the COVID-19 pandemic accelerated secular industry trends — things like the conversion of cash payment to electronic forms; digitization of financial services; and the use of data, analytics, and artificial intelligence in financial services, which prompted the couple to consider the future of the industry and how they could help Smeal prepare students to be successful.

The Gidos' gift is already paying dividends for students in Smeal's FinTech Group, an organization run by finance students in the college.

According to faculty advisor Stefan Lewellen, the group brought several high-profile guest speakers to campus during the spring semester, including Jeff Gido. They also planned a career trek to New York in April to visit Goldman Sachs and other fintech shops. This fall, they'll host the first nationwide fintech case competition, asking participants to showcase their best ideas for fintech apps.

"Jeff's personal interest and involvement in promoting fintech at Smeal is off the charts," Lewellen says. "In talking to him, it's clear that he and Wendy really care about educating students about fintech and putting Smeal on the map as a thought leader in the space.

—Anne Louise Cropp



istock

## Career coaching helps young alum make career pivot.

A year after graduating with a degree in accounting, Penn State Smeal alum Joe Kennedy found himself at a professional crossroads. Believing his business skills could help organizations tie the importance of employee engagement to the bottom line, he wanted to pivot his career from accounting to human resource management.

He turned to Smeal's Alumni Career Services team to help with the transition.

Smeal's career coaches say they routinely offer coaching services to mid-career alumni looking to transition within a current role or to a new field altogether but are beginning to see an uptick in early careerists wanting to make a similar change.

Although the coaching approach may be similar, for early careerists, there can be a much shorter turnaround time given a company's need to hire entry-level talent quickly and a job seeker not having the hard brand of an established career.

Kennedy, who lives and works in central Pennsylvania, began working with a Smeal career coach in August 2022 and the two quickly developed a plan for how he should proceed with his job search.

All degree-granted Smeal alumni are eligible for up to five one-hour 1:1 coaching sessions, free of charge.

Kennedy started by researching regional job opportunities, including positions at Penn State, focusing on roles that required skills in finance and accounting while also offering po-

tential growth in employee engagement. He also prioritized networking with peers and faculty and staff at Penn State.

He credits Smeal's Alumni Career Service team with helping him secure a full-time position that utilizes his accounting skills while also offering the opportunity to grow and learn around topics in employee onboarding and engagement.

"Working with the team helped accelerate my search," Kennedy says. "Within months, I'd accepted a position as financial coordinator for the School of Hospitality Management in Penn State's College of Health & Human Development. Now, I am focused on upskilling on topics related to human resource management and will start the Master of Professional Studies in Human Resources & Employment Relations program through Penn State this fall.

"I'm so glad to have learned about Smeal's career coaching program. Everything you experience and everyone you meet in life is a valuable lesson about yourself and your values that will help propel you into the person you are meant to be," he says.

—*Keleigh Asbury*



Scan to learn more about alumni career coaching.

### CLASS NOTES

**Gene Abel '63 B Adm** is currently working on a book-to-movie agreement for his romance novel, "The Inn of Destiny." He lives in Sicklerville, New Jersey.

**Gary Jones '77 B Log** is the eastern division vendor relations manager at Hajoca Corp. Jones recently received the Fred V. Keenan Lifetime Achievement Award, sponsored by the American Supply Association. He lives in South Abington Township, Pennsylvania.

**Andrew Giorgione '89 Mktg** was named to the Power 30 for Law & Lobbyist list, issued by Central Penn Business Journal, and was named Fifty Over 50, by City & State Pennsylvania. He recently established One+ Strategies to assist clients in state and local government affairs. He lives in Harrisburg, Pennsylvania.

**Brian Ardinger '94 MBA** recently published "Accelerated: A Guide to Innovating at the Speed of Change." He lives in Lincoln, Nebraska.

**Roger Osorio '04 Fin** published his first book, "The Journey to Reinvention — How to Build a Life Aligned with Your Values, Passion, and Purpose." He lives in West New York, New Jersey.

**Adam Krick '06 Fin** was appointed to the Penn State Berks Advisory Board as well as the Audit, Compliance, and Risk Management Committee at the Caron Foundation in Wernersville, Pennsylvania. He lives in Sinking Springs, Pennsylvania.

**Meghan Myers '07 Mktg** was recently hired as an associate attorney at Brann & Isaacson. Her practice will focus on estate planning, estate and trust administration, and real estate. Meghan is also a licensed title insurance agent with First American Title and a member of the Maine Estate Planning Council. She lives in Brunswick, Maine.

### REMEMBERING SMEAL TRAILBLAZERS

#### John Coyle

1935 – 2023

Those who knew Penn State Smeal alum and faculty member John Coyle best, bypass his innovative, pioneering nature when they first share memories of him.

Instead, his closest friends and confidants talk about how a smiling Coyle inevitably greeted them.

"Like my daughter said, 'what I'm going to miss is his bear hugs,'" says Bob Novack, an associate professor of supply chain management, who called Coyle a friend and a mentor. "When he would meet you, he would give you the biggest hug. He was just that type of individual — very caring, very personable."

Coyle joined the College of Business faculty in 1961 and it wasn't long before his influence was felt. He was instrumental in the development of the business logistics and transportation programs at Penn State. And, he proudly noted in his Smeal bio that he "was the first person to teach a course at Penn State under the label 'Business Logistics.'"

To help spread the word about the burgeoning discipline, Coyle pioneered the use of technology in education, employing VHS technology and remote broadcasting to distribute his classes remotely long before the internet came into being.

Business logistics evolved into supply chain management and later supply chain and information systems, and Coyle left his fingerprints on those disciplines, too. He was the founding executive director of the Center for Supply Chain Research from 1989 - 2000 and director of corporate relations for CSCR from 2000 - 2010.

Coyle served the broader college community as assistant dean and associate dean from 1982 through 1989. He remained Professor Emeritus of Business Administration and continued to publish thought-provoking research until his passing in January.

In addition to his impact on Smeal, Coyle served as chair of the University Faculty Senate from 1976-77 and he was Penn State's longest serving faculty athletic representative to the NCAA (1970-90) and Big Ten Conference (1990-2000).

Coyle's career was decorated with accolades, including 12 college and university awards for outstanding teaching and advising; the Distinguished Lion Paw Award for outstanding service to the University; and the Council of Logistics Management's highest honor, the Distinguished Service Award.

#### John M. "Jack" Stevens

1940 – 2023

Before he started his distinguished career in academia, Jack Stevens served for eight years in the U.S. Marine Corps. That duty included a tour in Vietnam as a radio intercept officer who flew 312 missions in an F-4 Phantom II. He was then selected to work at Headquarters Marine Corps at the Pentagon, retiring with the rank of captain.

Stevens then embarked on a 33-year career at Penn State. He was a trusted colleague who served Smeal as a professor of management and organization, associate dean for undergraduate programs, and director of outreach.

His myriad contributions led to the success of Smeal students and the culture of honor and integrity for which Smeal has been widely respected.

"Jack's commitment to personal and academic integrity trig-

gered early momentum toward the development of the Smeal Honor Code," said Charles Whiteman, John and Karen Arnold Dean of Smeal. "It is fitting that Smeal's prestigious senior academic integrity award bears the name of Jack and his wife, Anne."

Stevens was a prolific researcher whose body of work was recognized in 1997 by the Academy of Management Journal as one of the 10 most cited authors in the past 40 years of the journal.

Smeal faculty members who worked alongside him describe Stevens as a productive researcher who possessed an enviable knack for sharing stories and aligning theory with practicality, skills that no doubt enriched the academic experience of countless Smeal students during his tenure.



**FOR THE KIDS**

Smeal students and alumni were an integral part of the network of volunteers and donors who raised more than \$15 million for THON in February 2023. Learn more about their impact in the summer issue of Smeal Magazine.

Photo by Steve Tressler



*“Smeal has allowed me to grow into a confident and courageous version of myself. This would not have been possible without the scholarships that helped me stay in school after the pandemic caused financial hardships for my family.”*

**Alyssa P.**  
**'23 Mgmt**

Smeal students like Alyssa are committed to their academic and personal growth. Scholarships and other philanthropic support can alleviate financial pressures and allow them to fully explore everything that Penn State has to offer, enriching their learning and opening doors of opportunity after graduation.



To make a gift to Smeal’s General Scholarship Fund or Future Fund, visit [raise.psu.edu/SmealPriorities](https://raise.psu.edu/SmealPriorities)

Or, to learn how you can create a named scholarship account, contact:

**Michelle K. Houser**  
[mhouser@psu.edu](mailto:mhouser@psu.edu)  
**814-865-7830**





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# ENGAGE WITH SMEAL

## GET INVOLVED

Go to [smeal.psu.edu/alumni/ways-to-get-involved](https://smeal.psu.edu/alumni/ways-to-get-involved) to discover opportunities to stay connected to students, alumni, faculty, and more.

## GIVE BACK

Visit [raise.psu.edu/SmealPriorities](https://raise.psu.edu/SmealPriorities) to provide resources that can transform the Smeal experience for students, faculty, programs, and alumni.

## STAY INFORMED

Find Smeal on Facebook, Instagram, Twitter, and LinkedIn.

## ALUMNI CAREER SERVICES

Find tools to advance your career, including career coaching, live webinars and podcast episodes, and more at [smeal.psu.edu/alumni/alumni-career-services](https://smeal.psu.edu/alumni/alumni-career-services).

**There are many ways for you to stay connected with Penn State Smeal and each other. To learn more, contact Michelle K. Houser, senior director of development and alumni relations, at:**

**(814) 865-7830**  
**mhouser@psu.edu**  
**[smeal.psu.edu/alumni](https://smeal.psu.edu/alumni)**