

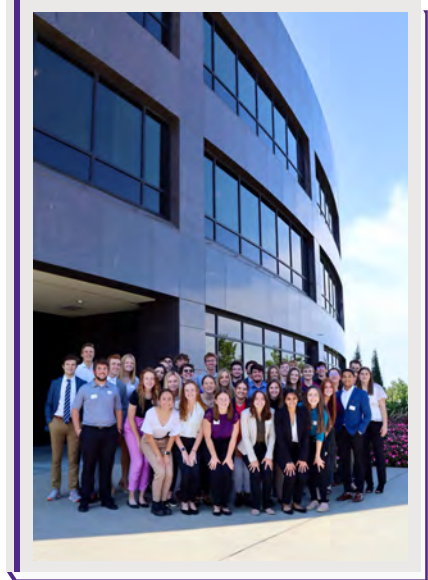
# Annual Report



FY2022

**KANSAS STATE**  
**UNIVERSITY**

College of Business  
Center for Principled Business



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## Marcia Hornung

*Thank you to all of our friends and supporters for helping us to develop future business leaders who will advance our society through principled business practices.*

The past year has been an exciting one for the Center for Principled Business. As we moved away from COVID protocols, we were able to take students on learning trips, host an in-person conference, an Innovation Challenge, and launched our inaugural Summer Institute.

We have started to see great results as students in our Menard Family Scholars Program are engaging in internships and other exciting opportunities. Some members of our first cohort of students will begin exploring full-time career paths during the next year.

Thanks to the generous support from our key partners, we are able to offer scholarship opportunities for students to pursue courses in entrepreneurship and innovation, pursue meaningful professional development opportunities, and engage in relevant co-curricular programming.

We are also able to advance our research and outreach activities through philanthropic support. We are grateful for our donors, students, and other partners who have joined us in our work to develop future business leaders who will seek innovative ways to address our world's challenges, create value, and enhance societal prosperity.

Moving forward, we plan to refine and expand upon our current programs and initiatives, while launching a new course, Business and Society. We will grow our Summer Institute, research activities, our Innovation Challenge, and explore new partnerships for research and Center programming. We are excited to embark upon a very productive and impactful year.

With gratitude,

*Marcia Hornung*

Menard Family Director,  
Center for Principled Business



## ABOUT THE CENTER FOR PRINCIPLED BUSINESS

### Mission

The K-State Center for Principled Business was launched in 2019. The mission of the Center is to engage in teaching and research activities that develop business leaders and enhance societal prosperity. The Center offers cross-disciplinary research and academic and co-curricular programs for K-State students, high school students, and working professionals.



### Vision

The vision of the Center is to be the premiere institution for the study of effective practices that foster business innovation and growth for the benefit of society.



### Goals and Objectives

1. Provide academic and co-curricular programming to K-State students that develops them into effective business leaders.
2. Sponsor business research that addresses important business questions with the goal of improving the practice of business.
3. Engage working professionals with non-credit offerings that enhance their ability to manage and operate within their own organizations.
4. Support students through scholarships to study effective business practices.



# CENTER PROGRAMMING



During FY2022, the Center for Principled Business hosted the following programs:

- Menard Family Scholars Program
- K-State Business Innovation Challenge
- High School Summer Institute
- Kansas State High School Stock Pitch Challenge
- K-State Women in Business Career Summit
- Role of Business in Society Research Initiative
- Developed new course, "Business & Society"
- Wildcat Consulting Internship Program

## Menard Family Scholars Program

The Menard Scholars had a successful year, with opportunities for classroom learning, as well as personal and professional development opportunities throughout the year.

A highlight for many students was the opportunity to travel to visit partner companies. In the fall, students visited Koch Industries where they learned about Market Based Management™, entrepreneurship and innovation, and toured the campus. Students from both the 2020 and 2021 cohorts of Scholars had the opportunity to visit several of our corporate partners in St. Louis, Missouri, as well as Kansas City. Students learned about business operations and explored various work environments while learning about future career and internship opportunities. Thanks to College of Business alum and Boeing Defense, Space, and Security CEO, Leanne Caret, students were able to tour Boeing's St. Louis production facility.

Students took the following courses together: Introduction to Entrepreneurship and Innovation, Introduction to Leadership Concepts, Principles of Management, Career Accelerator, and our Future Business Leaders course. In the Future Business Leaders class, students learned about the program's key themes: leadership development, ethical decision-making, and innovative thinking.

Some other program activities included: reading and discussion of *Good Profit*, students watched the documentary, "*They Say it Can't Be Done*," and engaged in a conversation with the lead producer. Students participated in a business ethics workshop, interacted with local and regional business owners, and participated in other activities as they learned about the role of business in society, and prepare for careers as future business leaders.

28 outstanding students have been selected for the 2022-2023 cohort.



Average  
GPA  
3.8

“

*The Menard Scholars Program gave me the tools to understand what the College of Business offers. It exposed me to great opportunities and with that, I was able to discover many passions that I am currently pursuing by being involved in clubs, programs, and other curricular and extracurricular activities. Through the Menard Scholars program, I learned so much about innovation, leadership, and business ethics, and I was able to get my foot in the door for other great opportunities within the college, and business world, that have all presented opportunities to enhance my educational experience and my future success. -Current Menard Scholar*





## K-STATE BUSINESS INNOVATION CHALLENGE

The K-State Innovation & Strategy Case Competition was reimaged this year into an Innovation Challenge. The goal of this competition is to encourage students to think innovatively about solutions to real-world problems. During the challenge, student teams developed or improved an innovative product, service, technology, or process to address a problem or challenge they identified in the K-State and/or Manhattan communities. Each team had four weeks to develop a written report, summarizing the problem addressed and describing the team's proposed solution and how it could be implemented.

Based on the written reports, the top seven teams advanced to the live finals round of the competition and presented their plan to a panel of judges comprised of business executives.



This competition is designed to foster creativity, innovation, and teamwork among students. Students also learned about concepts such as value creation, business ethics, strategy, and had the opportunity to address a real campus or community need through a collaborative approach.

Nearly 300 participants competed and finalists were awarded more than \$10,000 in scholarship prizes.

We look forward to continuing to refine this competition as we work with our partners at Koch Industries during the 2022-2023 academic year.



## High School Summer Institute

In June 2022, the Center launched the College's inaugural Summer Institute for high school students. Students learned about business and its role in society, explored various disciplines within the College of Business, experienced life on campus, and engaged in an entrepreneurship competition. This interdisciplinary challenge provided an opportunity for students to apply the concepts learned throughout the institute, and K-State scholarship prizes were awarded to top placing teams.

Thanks to our generous supporters, the Summer Institute was offered at no charge for students, and was open to all incoming 10th through 12th-grade students with a GPA 3.0 and above. Students from underrepresented communities and students who have overcome economic or social hardships were strongly encouraged to apply.

- 33 students from five regional states attended the inaugural Summer Institute

When asked "On a scale of 1 to 10, how likely would you be to recommend the K-State Summer Institute to another student, **the average of responses was 9.5/10.**"

Special thanks to our lead sponsor, Koch Industries, for making this institute possible.

*We are very appreciative of the corporate sponsorship of K-State's inaugural Summer Institute! The camp exceeded our expectations, from its management/faculty and curriculum to the college's facilities and all the little extras. The bottom line: Our son entered the program with zero understanding of the facets of business administration and returned with a complete view and an assurance that it would be the right field of study. Other comparable camps are financially restrictive so your sponsorship was wholly responsible for his ability to attend - thank you!*







## KANSAS STATE HIGH SCHOOL STOCK PITCH CHALLENGE

The Kansas High School Stock Pitch Challenge brings together students from across Kansas to compete for scholarship prizes. The competition is broken into stages where students learn to perform industry analysis and ultimately select a publicly traded firm as their best investment idea to pitch. During the competition, students use simulated accounts to buy and sell stocks in their chosen industry which measures the investment performance of their analysis.

The competition has two main goals. First, it acts as a tool for college recruitment by introducing students to faculty and offering scholarship awards to top-performing teams. Second, it serves as an enrichment activity for students by using experiential learning to develop individual and team skills necessary to succeed in their future careers.



Through industry analysis, students learn about the economics of market frictions which create inefficiencies in a market-based economy that destroy value for the firm and society. Individually and as a team, the students work towards realizing their capacity for making capital allocation decisions by receiving market and faculty feedback on their investment ideas. The input encourages students to act as entrepreneurs and innovate in their research to allocate capital to investment ideas that generate excess value for investors. Under this framework, students learn the skills necessary to be competitive as future business leaders and experience humility and respect for the capital markets and the customers they serve.

Top placing students earn K-State College of Business scholarships that can be used to pursue business degrees at Kansas State University.



## Women in Business Initiative and Career Summit

The Women in Business Initiative fosters a network of innovation and collaboration through academic and co-curricular learning opportunities, and supports business research related to the broader goals of the Initiative. The Women in Business Initiative works to educate, empower, and engage leaders, to create social and economic impact and enhance societal prosperity.

The Career Summit took place in October 2021, with learning opportunities for current high school and college students. Faculty and alumni from across campus, and across the country participated in the inaugural event, with more than 400 people in attendance. The event provided an opportunity for personal and professional development for current college students as they prepare to move into the workforce and for high school students who are considering career paths in business. Students were awarded \$20,000 in scholarships to pursue classes in business at K-State (funds to support the Summit and scholarships were raised by K-State friends and alumni). Key themes for the program align with the Center's primary focus areas: developing future business leaders focusing on economic education, entrepreneurship and innovation, and business ethics.

**Leanne Caret**, CEO of Boeing Defense, Space, and Security, was the keynote speaker.

**Tracy Britt Cool**, Co-founder of Kanbrick, and former top deputy to Warren Buffet also spoke at the event.

The 2023 Career Summit will be held on Monday, November 7, 2022.



# RESEARCH HIGHLIGHTS



The Center is actively working with faculty members, industry partners, and students to produce compelling scholarship related to the concepts of principled business. During the 2021-2022 academic year, the Center launched a new university-wide call for proposals, "**The Role of Business in Society.**" The Center is working with colleagues from across campus to expand this new program and intends to support additional projects that focus on the role of business in society during the 2022-2023 academic year.

Several proposals were received; the Center agreed to support 3 proposals:

- **Dr. Chance Lee and Kait Long**, Staley School of Leadership, "*A case study analysis of Sub-Saharan African social enterprises.*" This analysis highlights examples of businesses that are successful and profitable that also impact the diverse societal challenges across Sub-Saharan Africa.
- **Lonnie Hobbs and Dr. Aleksan Shanoyan**, College of Agriculture, "*Assessing the Research Needs for Informing Pet Food Industry Decisions.*" The purpose of this study is to identify and highlight the most important, relevant, and current research needs for informing product and marketing decisions in the pet food industry.
- **Brandon Savage**, College of Business, "*Using structured and unstructured data, machine learning and artificial intelligence to proactively predict customer churn risk through actionable intelligence.*" The purpose of this study is to demonstrate the use of sophisticated artificial intelligence algorithms to enhance customer experience and provide a better end result for businesses.

# RESEARCH HIGHLIGHTS CONTINUED



This year, the Center will support one College of Business faculty member's research proposal as a part of the College's research program. Dr. Doug Walker's proposal is titled, "*Student Loan Complaints*," and will examine complaint behavior, and addresses the student loan market, with over \$1.5 trillion in loans currently outstanding. This project aligns with the Center's topics of interest, as it will directly address the role of regulation in helping or hindering business growth.

One of the recipients of the Role of Business in Society research grants is a graduate student in agricultural economics. We look forward to continuing to partner with faculty members to support undergraduate and graduate research projects.

A key goal for the Center for Principled Business is to grow our research program during FY23. We anticipate the publication of several of our previous grant projects and will continue to build partnerships across campus and in industry to develop scholarship that will ultimately inform current business practices.

# AFFILIATED FACULTY MEMBER RESEARCH



CPB-affiliated faculty members are actively engaged in research, teaching, and service to the university, college and Center for Principled Business. Below are highlights for faculty members from the past year.

## **Rachel Mui**

Dr. Mui was the recipient of the 2021 Academy of Management “Best Paper” award for text-analysis work on Twitter and firm strategies. She was also the recipient of the 2021 UT Arlington Research Impact Grant for work on professional women and perceived competence.

Publications from the past year included:

- *How Altering the Sequence of Performance Events Shapes Perceived Quality formation* (Journal of Business Research)
- *How Strategic Position Can Mitigate External Gender Bias* (Business Horizons)

## **Jake Duke**

Dr. Duke published the following article:

- *How Starting Strategy and Network Structure Shape Problemistic Search: An Examination of Venture Capital Firms* (Entrepreneurship Theory and Practice)

The following manuscripts have been completed and submitted for review:

- *How Strategic Alliances Shape Managerial Priorities: Evidence From Social and Historical Underperformance Responses*
- *How Social Networks and Performance Feedback Influence Venture Capital Tie Syndication*

## **Holly Loncarich**

Two manuscripts published in the Journal of Management:

- *Strategic Risk and Lobbying: Investigating Lobbying Breadth as Risk Management*
- *What’s It Like Inside the Hive? Managerial Discretion Drives TMB Gender Diversity of Women-Led Firms*

Four of Dr. Loncarich’s publications are under review/preparing for journal submission:

- *The Influence of Policy Risk and Intercountry Ties on Cross-Border Acquisition Completion*
- *Social Capital of Capital Market Stakeholders and Firm Strategy: A Resource-dependence Perspective*
- *CEO Political Ideology and Vertical Integration*
- *Firm Reputation Risk and CBA*

## **Brian Silverstein**

Dr. Silverstein published the following works:

- *Defined benefit pension risk transfers and corporate risk-taking* (Financial Management)

Under review articles include:

- *Managerial opportunism and investment efficiency* (Journal of Business Ethics)
- *Social Capital and Defined Benefit Pension Risk*
- *The Dynamics of Managed Risk Exchange-traded Funds*



## NEW COURSE: BUSINESS AND SOCIETY

During the 2021-2022 academic year, CPB-affiliated faculty worked to develop a new course that will be launched in Fall 2022, "Business and Society." This foundational course will be team-taught during the initial course launch by CPB-affiliated faculty members. During the 2022-2023 academic year, faculty will work to determine where this class will fit into College's curriculum.

This course examines the role of business in society by providing historic perspectives on the role of business in society, examining how businesses operate within different types of market conditions, reviewing conceptual issues regarding decision making within a business context, and defining the role that value creation plays in the growth of business and society.



The course is broken down into 4 overarching modules:

- A historical (and moral) perspective on the role of business in society: "How did we get to where we are today?"
- Business operation in different market conditions: "How might things have been different?"
- Decision making within a business context: "Why do we make the decisions we make?"
- Value creation: "How can we maximize the value we do create?"

By the end of the course, students will develop both skills and knowledge on:

- How individuals can create value for businesses and society through understanding capabilities and opportunities;
- How your personal values, beliefs, knowledge and skills translate into doing meaningful work;
- How to optimally acquire, share and apply knowledge;
- How to activate an entrepreneurial mindset and demonstrate decision rights;
- How to contribute to long-term value creation



# Wildcat Consulting Internship Program

During June and July, 2022, the Center for Principled Business partnered with the College's Center for the Advancement of Entrepreneurship to offer Wildcat Consulting, K-State's Entrepreneurship Internship Program.

The internship is a competitive, paid program that features our brightest and most promising students. Our objective of the internship is two-fold – not only do we aim to provide our students the opportunity to apply their classroom knowledge to the real world of business through an immersive internship experience, we also want to provide entrepreneurially minded businesses access to these students, at a fraction of the cost of a typical internship.

Students have the opportunity to learn about entrepreneurship and innovation, while gaining hands-on experience with a growing business. Students are supported with academic learning, networking, and other learning events throughout the internship experience.

Internships ranged from students consulting for businesses in the food and beverage/hospitality industries, a local entrepreneurship association, manufacturing, agriculture, and software development businesses. Projects focused on a variety of areas such as market analysis, customer acquisition, inventory management, marketing, and other related activities. Partner companies expressed high levels of satisfaction with the projects completed by students participating in the internship program.

Dr. Rachel Mui, CPB-affiliated faculty member, served as the coordinator for the program.



# ADDITIONAL CPB- AFFILIATED FACULTY UPDATES



In addition to research activities, CPB-affiliated faculty members are actively engaged in teaching and service activities. Below are some of the highlights for CPB-affiliated faculty members for FY22.

## **Rachel Mui**

- Recipient of the K-State College of Business Developing Scholar Award
- Recipient of the 2022 Global Campus Development Grant
- Courses taught: Introduction to Entrepreneurship, Entrepreneurial Consulting
- Program lead for Wildcat Consulting Internship Program
- Served as a judge for the Kansas Entrepreneurship Challenge, served as a guest speaker at several conferences as well as for student and community organizations related to entrepreneurship and innovation

## **Jake Duke**

- Recipient of the K-State College of Business Ralph E. Reitz Outstanding Teaching Award
- Courses taught: Introduction to Entrepreneurship, Entrepreneurial Finance, Business Ethics and Corporate Citizenship
- Coordinated the K-State Launch (entrepreneurship) competition
- Assisted with the Kansas Entrepreneurship Challenge

## **Holly Loncarich**

- Courses taught: Business Ethics and Corporate Citizenship and Business Strategy
- Served as a judge for the Phillips 66 Business Ethics Case Competition
- Served as faculty advisor for the Women in Business student organization
- Assisted with coordination of the College of Business Summer Institute

## **Brian Silverstein**

- Courses taught: Cases in Finance, Financial Modeling, and Introduction to Personal Investing and Risk Management
- Served as program lead for the Kansas High School Stock Pitch Competition
- Assisted with the Southeastern Hedge Fund Competition
- Assisted with the K-State Student Finance Association
- Served as a reviewer for the Journal of Corporate Finance, Journal of Financial Research, and European Financial Management Journal

## **Marcia Hornung**

- Courses taught: Social Entrepreneurship, Future Business Leaders, Introduction to Entrepreneurship
- Served on University Honors Council
- Served on College of Business Diversity, Equity, Inclusion, and Belonging committee
- Secured more than \$70K in gifts from College of Business alumni



## SCHOLARSHIPS

### Menard Family Innovation Scholarships

Thanks to the generosity of the Menard Family, we were able to award \$50,000 in scholarship support for students from across campus to pursue coursework in Entrepreneurship and Innovation.



### Women in Business Scholarships

10 high school students and 10 current K-State students were awarded scholarships in the amount of \$1,000 to pursue coursework in the K-State College of Business. The support for these scholarships was provided by Kansas State Alum, Mary Vanier.



### Other Scholarships

Scholarships were also awarded to winners of the K-State Innovation Challenge, Summer Institute, and Kansas High School Stock Pitch Challenge. Support for scholarships came from our founding Center partners, as well as Nick Chong, Kansas State Alum and Zoom executive.



# LOOKING AHEAD

The Center for Principled Business looks forward to continuing our work to engage in teaching and research activities that develop business leaders and enhance societal prosperity.

In FY23, we will:

- Expand our academic programming, and enhance our Business and Society curriculum.
  - Host a new CAT Community connected to the Business and Society course.
- Welcome our fourth cohort of Menard Scholars
- Offer two summer institutes
- Enhance our Innovation Challenge, in partnership with Koch Industries
- Refine our research initiative
- Continue to develop and expand academic and co-curricular programs to serve high school students, college students, and working professionals



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