

THE MAGAZINE OF THE MCCOMBS SCHOOL OF BUSINESS AT THE UNIVERSITY OF TEXAS AT AUSTIN

# MCCOMBS

*fall 2016*

**Gary Kelly,  
BBA '77 CEO,  
Southwest  
Airlines**



## **SKY'S THE LIMIT**

**SIX CEO ALUMNI  
SHARE SECRETS  
FROM THE C-SUITE**

**BBA HISTORY  
IN 10 OBJECTS**

**THE BUSINESS OF  
HEALTH CARE**

**RETIREMENT ACCOUNTS  
AND MARKET VOLATILITY**

It turns out that smarts and hard work never grow old.

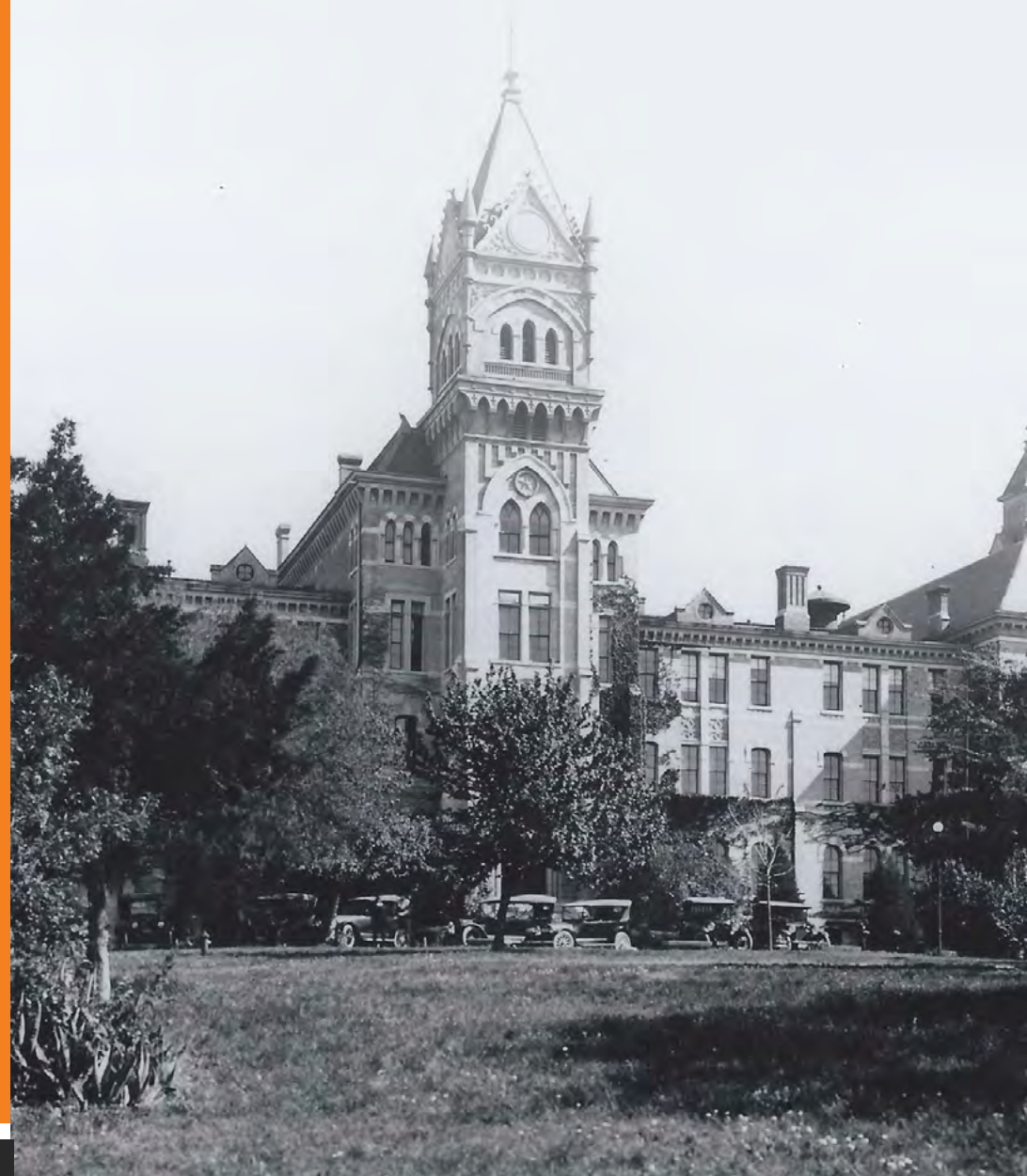
Inspired leadership is still in demand, And the little school that started in a wooden shack in 1916 is now a global magnet for the future's brightest innovators, entrepreneurs, and change agents.

Please support our next generation of business-never-as-usual graduates by making a gift to the McCombs Undergraduate Endowed Excellence Fund. Your gift will keep on giving, year after year, creating new educational opportunities for a rising leadership class. A century from now we'll still be talking about you.



A LEGACY AS BIG AS TEXAS

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McCombs is published in the fall and spring for alumni and friends of the McCombs School of Business at The University of Texas at Austin.

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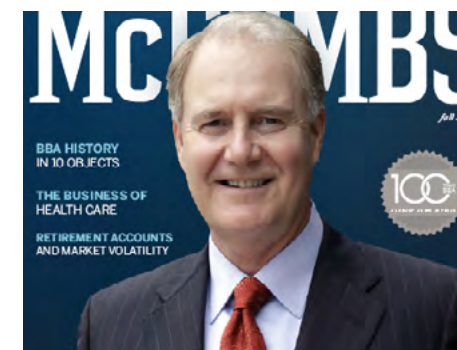
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**BY STEVE BROOKS**

# A Legacy as **Big** as Texas

## JUST DOWN THE HALLWAY

from my office, where students stride past on their way to classes, a bold, wall-size, burnt-orange poster declares, "Think backward while moving forward."

The poster displays the visage of Dr. George Kozmetsky. He inspired so many — including faculty, students, public policy makers, and business leaders — as the school's dean for 16 transformative years. As we welcome our 100th BBA class this fall, it is certainly appropriate to remember his words about striving toward the future.

We reflect upon and honor the contributions and unbounded vision of those, like Dr. Kozmetsky, who carried the banner of business education at Texas before us — all the while resolving to move forward with the same degree of frontier tenacity.

■ **ABOVE:** Dean Hartzell reflects on the wise words of predecessor George Kozmetsky, appropriate to remember as the 100th BBA class starts this fall: "Think backward while moving forward."

This summer, archivists spent hundreds of hours sifting through photos and accounts representing UT's business legacy. Your valued role in that history is implicit, and we hope you enjoy and feel pride in this special centennial-focused issue of McCombs. Then, we hope you will go online to a new Texas BBA Centennial website full of stories and images from the school's past, along with shared memories and inspiring profiles of alumni from the last 100 years: [Texasbba100.com](http://Texasbba100.com).

As a symbolic kickoff to our centennial celebration, the business school recently got some very good news. In May, following a rigorous examination to determine that we meet the highest standards of educational excellence, the Association to Advance Collegiate Schools of Business renewed our accreditation. UT Austin was among the first group of 16 business schools invited to become members of the association in 1916, at a time, by the way, when our school was housed in a temporary wooden shack. The far-sighted founders of this school clearly never doubted how important business is among the academic disciplines or how hard we would work in order to earn our leadership among the elite business schools of the world.

This year's eager and high-achieving class of 2020 enters a school that is more robust and relevant to their careers and life goals than their parents or grandparents ever imagined. Just a few short years ago, McCombs re-energized our engagement in health care management research and teaching. Today, as the new UT Dell Medical School welcomes its inaugural class, we are fully prepared to collaborate with this vibrant campus partner. Dr. Kozmetsky, and so many others who have contributed to this journey, would be pleased. Future historians take note.



JAY HARTZELL  
Dean and Centennial Chair in Business Education Leadership

# Spread-Sheet Serenade

GUITAR-STRUMMING FACULTY MEMBER'S BIEBER LAMPOON GOES VIRAL

## WITH 1.8

million views on UT Austin's Facebook page, IROM Lecturer Clint Tuttle's in-class performance at the end of the spring semester became an internet sensation. His song "Learn Excel" is a parody of the Justin Bieber track "Love Yourself." Tuttle's rendition extolls the virtues of the spreadsheet program ("Many years from now when you have left UT/And you use these skills will you think of me?"). The video continues to be a hit with more than just Tuttle's students, landing Tuttle a gig at this year's Microsoft sales conference and turning viewers around the globe into Beliebers in the power of creative teaching. "I've made lots of videos and songs in the past and never got that kind of response. I guess Bieber and Excel are the perfect combo for a great song," Tuttle says. "Maybe next year we'll do Taylor Swift and PowerPoint."



## Investing Whizzes

Need a hand with investments? Ask one of the nine McCombs students whose top-25 finish placed the school above all universities at this spring's ETF Global Portfolio Challenge, a web-based simulated investment competition. Alexander Parker, BBA '17, came in second overall (with returns of 112.71 percent) by setting up a portfolio of exchange-traded funds linked to emerging-nation stocks and commodities. "The undergraduates were aggressive and used leverage, but they were also very smart about the particular investments selected," says Senior Finance Lecturer Kelly Kamm. "Hard work and smarts pay off, especially if the markets cooperate. This is what clinched it for McCombs."



## NSF Grant Funds Career Study

Management Professor Luis Martins and his fellow researchers were awarded a \$278,359 grant from the National Science Foundation to study how students' identities and early experiences encourage the pursuit of an engineering career. Martins, the new Entrepreneurship Programs director at McCombs, says the project takes what researchers have learned about how people form professional identities, including studying differences in gender and ethnicity, and applies it in a new way to improve early outreach to underrepresented groups. "With rapid technological change transforming a variety of industries," Martins says, "attracting a broad range of smart people to the engineering profession is critical to our competitiveness."

## MARKETING STUDENTS SHINE

Karina Gonzalez, BBA '17, Yoshiko "Cookie" Guck, BBA '17, and Chan Lee, BBA '18, won the national L'Oréal Brandstorm competition, where students present an original integrated marketing campaign for one of the cosmetic giant's brands. The McCombs team proposed using artificial intelligence to provide skincare consumers with personalized results. Their win underlined what the students have learned in the classroom. "Competing against the top schools in the nation and then actually winning is eye opening," says Gonzalez. "You see how great our school is and how well they prepare us."

## BBA CLIMBS TO NO. 6

McCombs rose one spot to tie for sixth place in the 2017 edition of U.S. News and World Report's undergraduate program rankings. The Texas BBA also tied for third best among the country's public schools. Sixth place represents a five-year high for McCombs and marks the 18th year in a row that the Texas BBA has landed in the top 10 in the country.



## TEXAS MBA OFFERS STUDENTS NO. 1 'BEST BANG FOR THE BUCK'

The Texas MBA offers the "best bang for the buck" salary return on investment according to U.S. News and World Report. Although graduates of top business schools typically earn higher salaries than students who attend lower-ranked schools, graduates of better programs also leave school with greater debt levels. But not so at McCombs: Graduates from the full-time MBA program had the largest gap between how much they earned in annual base salary following graduation and how much debt they owed in 2015. "MBAs who run the numbers know the value of the Texas MBA is one more compelling reason to have McCombs at the top of their list," says Tina Mabley, assistant dean and director of the program.

## STUDENT-ATHLETE INSPIRES ON AND OFF COURT

Imani Boyette, BBA '16, was drafted by the WNBA's Chicago Sky and nominated for NCAA Woman of the Year. Boyette ended her UT basketball career with a milestone no other player on the women's team has achieved: more than 1,000 points, 1,000 rebounds, and 200 blocks. Her achievements extend beyond the court: Boyette received the 2016 Wilma Rudolph Student-Athlete Achievement Award, presented by the National Association of Academic Advisors for Athletics, which recognizes student-athletes who have overcome great odds to achieve academic success, and she was honored by the Texas Exes with a President's Leadership Award.



### TRAILBLAZERS

Mary Elledge and Alice Ketchum were the first women to receive BBA degrees as members of the class of 1920.

## Combining Service with Business

While at McCombs, Amy Enrione, BBA '16, introduced a four-hour community service requirement to the school's curriculum for incoming freshmen — and then helped take the program university-wide. Starting this fall, all UT freshmen will take part in four hours of volunteer work. "Combining service with business is my passion," says Enrione (holding check). "I came to UT with a mission to encourage all students to give back." For her efforts at McCombs, Enrione earned the school's 2016 Pal — Make a Difference Award, given to a student for a program or initiative that significantly contributes to the campus or broader community.

## PROTECTING THE FINANCIAL SYSTEM

Professor Stathis Tompaidis is lending his expertise to the government as associate director of financial markets at the U.S. Treasury's Office of Financial Research. Tompaidis is responsible for leading the program on central counterparties — organizations that collect collateral from two participants in a bilateral transaction — thereby guaranteeing their contract and helping avoid a situation similar to what happened with AIG's issuance of credit default swaps ahead of the 2008 financial crisis. Tompaidis helps the OFR assess the systemic risk involved in such transactions. "The failure or weakness of a central counterparty can pose a threat to the stability of the entire financial system," he says. Tompaidis also contributes to the office's Financial Stability Report, which is made available to Congress.

# McCOMBS BY THE NUMBERS



## 4,686

Total BBA enrollment in 2016-17.



## 115

Total BBA enrollment in 1916-17.



## 1362

Average SAT score in 2016-17 for admitted first-year students.



## 47%

of all students enrolled in 2016-17 were women.



## 25%

of all students enrolled in 1974 were women.



## 45%

of all BBA students study abroad.



## No. 1

McCombs ties with Wharton for having the most top-10 undergraduate specialties in the nation.

# ADVENTURES IN HISTORY: THE BBA CENTENNIA

**A**s the McCombs School prepared to celebrate the 100th anniversary of its BBA program, the question was raised: Where do we find our history? A team of McCombs staff, along with unofficial UT historian Jim Nicar, worked to gather the records, photos, reminiscences, and artifacts that tell the BBA story.

Uncovering the history turned out to be an adventure. It required rummaging through the less explored nooks of storage closets, examining thousands of photographs and

slides, combing through old newspapers and yearbooks, studying the buildings that have housed the business school (below in color: Waggener Hall, opened 1932, the first permanent home for the business school), interviewing faculty and alumni about their memories, and wading through the immense collections of the UT Archives at the Briscoe Center for American History.

**HERE is that story.**





**ABOVE:** Sylff Fellowship program officers travel from Tokyo to Austin once every three years to meet with McCombs Sylff Fellows. This photo was taken at their most recent visit, in March 2016. Left to right: Sylff Program Officer Tomoko Yamada, McCombs Associate Dean for Graduate Programs Steve Limberg, Sylff Program Officer Aya Oyamada.

**I**n 1990, an overheard conversation at a conference, followed by some international sleuthing, launched a partnership with the Nippon Foundation that has been going strong for 25 years.

When Robert Sullivan, senior associate dean at the time, returned to Austin from that conference, he told staff member Susie Brown about hearing mention of a Japanese foundation looking for universities interested in establishing fellowship programs. He asked for her help in tracking them down. Brown, who was born in Japan, got to work trying to identify the mystery foundation. Many past-midnight calls later (due to time zone differences) she reached them in Tokyo, and the rest is history.

The Nippon Foundation's Sasakawa Young Leaders Fellowship Fund established a \$1 million endowment at UT's business school in 1991. That original gift has grown to \$3 million today and supports one of the most

well-funded and prestigious fellowship programs offered to graduate students at McCombs. Since its inception, more than 200 UT Sylff Fellows have received funds to pursue travel and study devoted to pressing global issues. Individual fellowship awards range from \$5,000 to \$20,000 per year.

Every three years, Sylff program managers travel from Tokyo to Austin to meet with Sylff scholars. Fellows give presentations to their patrons, explaining the scope of their global business study programs and offering personal insights about how the fellowships have helped them pursue their dreams.

Tomoko Yamada, one of the officers who visited the school this spring, praised the action-oriented approach of McCombs Sylff Fellows. "I could feel the changes that are happening in the world reflected in these students' work," she said after student presentations during her visit. "McCombs Fellows are very practical. I saw their passion for new technol-

ogy, renewable energy, and starting businesses of their own. These students have concrete plans about how to put their ideas into action."

McCombs, the University of California at Berkeley Haas School of Business, and the global business school INSEAD are the only three business schools supported by the Sylff program. The 66 other Sylff Fellowship programs in 44 different countries focus on graduate student research in the social sciences and humanities.

The Sylff program aims to identify exceptional student leaders and nurture their capacity to overcome differences in nationality, language, ethnicity, religion, and political systems to tackle global issues together.

This year's class of McCombs Sylff Fellows includes 10 MBA and two Ph.D. students. MBA global management study abroad placements include Colombia, Israel, South Africa, China, and Southeast

Asia. Ph.D. projects include research on international tax transparency regulations and rural marketing in developing nations.

Yamada took the opportunity during her recent visit to McCombs to share the news of a relaunched Sylff Leadership Initiatives program available to fellows who are still pursuing their studies and those who have graduated and started their careers. It offers \$10,000 grants for the organization of social action projects or conferences and workshops addressing social issues. All fellows are welcome to apply. "We never consider Sylff Fellows to be alumni of our program," said Yamada. "Once a fellow, always a fellow."

It's a partnership that has catapulted McCombs Sylff Fellows into a worldwide community of peers. More than 15,000 graduate students from academic institutions across the globe have received fellowships since Sylff's inception in 1987, creating a network of fellows pursuing global careers in

academia, business, government, and non-profits throughout the world.

Brown, the staff member who tracked down the Nippon Foundation 26 years ago, is now associate dean for business affairs at McCombs. "In the days before the internet, it took weeks of late-night overseas phone calls, first to find them, and then to convince them of our worthiness," she says. "But it was so worth it. Sylff sends our students to the corners of the world and immerses them in completely unfamiliar experiences. It gives them new perspectives about their lives in a global context," Brown says. "They come back transformed."

# Global Family

FORTUITOUS TOKYO CONNECTION HELPS McCOMBS STUDENTS EXPLORE GLOBAL SOLUTIONS  
by Gayle Hight



A LEGACY AS BIG AS TEXAS

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