



KENAN-FLAGLER
BUSINESS SCHOOL

A group of hikers, including students and a guide, are lined up on a grassy trail. They are wearing blue and grey clothing, backpacks, and hats. The background shows a scenic view of a forested valley under a blue sky with light clouds.

THE
BUSINESS
OF NEXT

+ 2018 ANNUAL REPORT



AN ENDURING VISION

FOR 100 YEARS, UNC KENAN-FLAGLER BUSINESS SCHOOL HAS PREPARED LEADERS,

PRODUCED NEW KNOWLEDGE AND STRENGTHENED COMMUNITIES.

UNC established the Department of Commerce in the College of Arts & Sciences in 1919. Our founding dean, Dudley DeWitt Carroll, infused the school with distinctive values and a clear purpose: to educate business leaders and improve society.

EVER SINCE, UNC KENAN-FLAGLER HAS BEEN GUIDED BY THE IDEA THAT BUSINESS SUCCESS AND CONTRIBUTING TO SOCIETY ARE COMPLEMENTARY.

Since our earliest days, we have sought faculty who excel at research and teaching. We were one of the first

business schools to teach students teamwork before the business world embraced the power of collaboration. Our core values — excellence, leadership, integrity, community and teamwork — shape our extraordinarily collaborative and innovative culture.

Nearly 37,000 alumni across the U.S. and in 85 other nations form an extended community defined by common values. We focus on finding solutions to the pressing challenges facing our 21st-century economy and educating leaders for the next 100 years.



CREATING WHAT'S NEXT

UNC Kenan-Flagler is no longer defined by the walls of a building or the boundaries of our campus. We are a global community of students, faculty and alumni with diverse ambitions, all rooted in our core values, creating what's next.

THOUGHT LEADERSHIP FOR NEXT: Our faculty develop research-based insights to solve the challenges businesses and society face.

KNOWLEDGE FOR NEXT: Education remains the heart of our mission. We develop new ways to deliver a rich curriculum to undergraduates, graduate students and executives that prepares them to lead change.

CAPABILITIES FOR NEXT: Our culture is the secret ingredient for producing exceptional graduates who lead with integrity amid increasing complexity and rapid change.

WHAT'S NEXT IS A BOLD REDEFINITION OF HOW A BUSINESS SCHOOL

HELPS SOLVE THE WORLD'S MOST PRESSING PROBLEMS.

DISTINCTIVE

BECOMING THE BEST BUSINESS SCHOOL OF THE 21ST CENTURY IS ROOTED

IN A HISTORY OF EXCELLENCE AND AN AMBITIOUS VISION.



DIFFERENCES



+ EDUCATIONAL EXCELLENCE

We have a distinguished array of academic programs. Undergraduate and graduate students master the essentials while diving deep into career interests — real estate, healthcare and more.

A growing number of students take courses through our world-class online programs, which provide more students access with greater flexibility.

We're pioneering new technologies to enhance learning and provide more immersive experiences. Virtual reality, for example, transports our students to Cameroon to sharpen their decision-making and intercultural skills while establishing a healthcare facility.

+ AMBITIOUS RESEARCH

UNC Kenan-Flagler faculty are world-class experts, developing new insights into critical issues facing businesses. That research-backed, future-focused expertise is woven into every class and executive education program.

The Frank Hawkins Kenan Institute of Private Enterprise and our centers provide further research opportunities, as well as forums where faculty, executives and policymakers explore new ideas.

+ SERVING WITH PURPOSE

Service is the common thread winding through our School. We help businesses become more sustainable, strengthen the state's economy and deploy students, faculty and staff to volunteer at local service organizations. Business Cares is our strategic program that provides philanthropic support and business expertise for local nonprofits.

OUR COMMUNITY
UNDERSTANDS THAT
THROUGH OUR WORK WE
BUILD BETTER BUSINESSES
AND A BETTER WORLD.

LEADERS FOR THE NEXT CENTURY

IN-DEMAND EDUCATION

+ Our **UNDERGRADUATE BUSINESS PROGRAM'S** competitiveness continues to increase. We will grow our capacity to enable more qualified students to major in business. Over the next eight years we will grow undergraduate enrollment by 50 percent, increasing our junior and senior classes from 400 to 600 students each.

To provide a world-class environment, we're raising funds for a second building. Construction will take two years, with an additional 12 months for McColl Building and Kenan Center renovations.





UNC KENAN-FLAGLER EMPOWERS PEOPLE FOR THE CHALLENGES THEY FACE

TO THRIVE AT EVERY STAGE OF THEIR CAREERS.

21ST-CENTURY MBAS

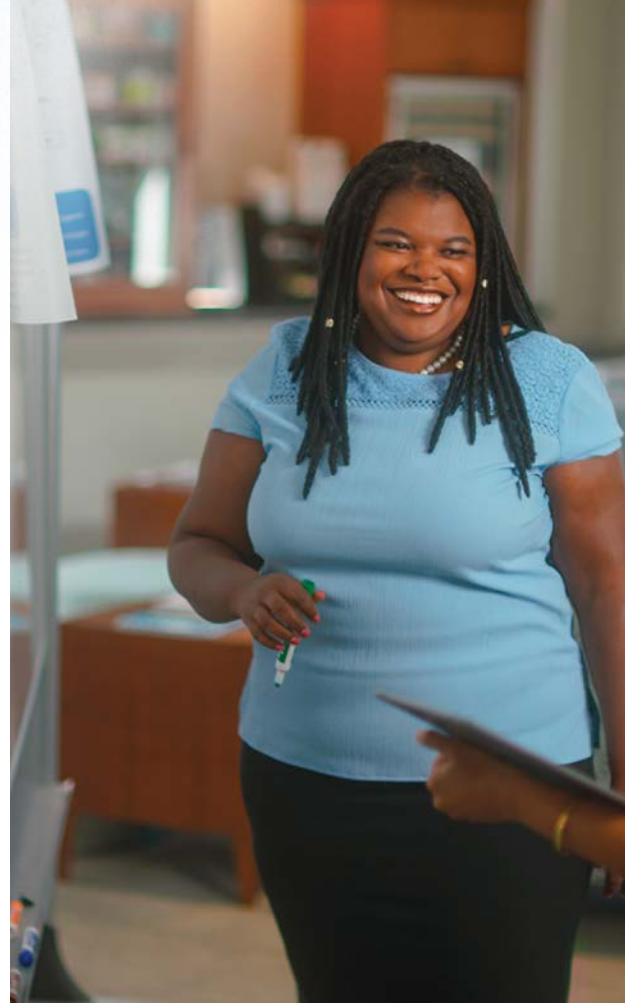
With demand for advanced business education growing, our top-ranked MBA program has expanded and diversified.

- + Our **FULL-TIME MBA PROGRAM** continues to be much sought-after. We provide electives and a range of concentrations, like healthcare and sustainable enterprise.
- + Our **EXECUTIVE MBA PROGRAMS** combine in-person and online coursework for mid-career and senior-level professionals. Students choose evening or weekend options, pursuing studies while continuing to work.
- + Our **ONLINE MBA** provides a UNC Kenan-Flagler education to students no matter where they live. Classes are delivered via a leading-edge online learning platform and are tailored for asynchronous and live sessions. Students also gather for in-person immersions in major business centers around the world.

THE “LANGUAGE OF BUSINESS”

+ Our **MASTER OF ACCOUNTING PROGRAM** draws people seeking to start, switch or accelerate their careers. We deliver our program on campus and in a flexible online format that's perfect for those who wish to continue working while they earn their degree.

Our MAC graduates are in high demand — 99 percent receive job offers within three months of graduating. They build successful careers in public accounting firms, major corporations, nonprofits and government agencies. A number of MAC alumni have launched their own companies.





APPRENTICE FACULTY

- + Our **PHD PROGRAM** prepares the next generation of faculty to create knowledge and shape young minds at top business schools worldwide.

PhD students are “apprentice faculty” — diving into complex topics, conducting research and generating insights.

Once PhD students complete their studies, they take faculty posts at top schools, such as the University of Chicago, Columbia University and

the Chinese University of Hong Kong, becoming part of our global UNC Kenan-Flagler community.

Because of the program’s impact we plan to increase the number of doctoral students studying at UNC Kenan-Flagler.

THE POWER OF LIFELONG LEARNING

- + The development of executives is critical for every organization to remain competitive in a business environment that is complex and ever-changing.

UNC EXECUTIVE DEVELOPMENT

collaborates with organizations to design custom solutions/programs to address their compelling business issues and help them navigate and adapt to the changing nature of work. We also work with individuals, online and in-person, through our Programs for Individuals to develop personal competencies and skills.

Programs are taught by UNC Kenan-Flagler’s premier faculty, who conduct peer-reviewed research and develop pragmatic concepts designed to meet the needs of global organizations, as well as individuals.

Leading organizations — both commercial and military — rely on us for our innovative, interactive programs to equip their leaders for success.



FROM TEACHING + RESEARCH TO **IMPACT**

Our centers foster collaboration and innovative education, extending our impact across North Carolina and around the world. They bring together UNC faculty to tackle business and societal challenges.

The Center for Sustainable Enterprise, for example, helps businesses grow while being good stewards of society and the environment. NCGrowth assists companies to create good jobs and support communities across the state with sustainable, equitable opportunities. The Global Business Center is boosting the global competencies of our students, faculty and staff.

- + Center for the Business of Health
- + Center for Competitive Economics
- + Center for Excellence in Investment Management
- + Center for Sustainable Enterprise
- + CREATE
- + Energy Center
- + Entrepreneurship Center
- + Family Enterprise Center
- + Frank Hawkins Kenan Institute of Private Enterprise
- + Global Business Center
- + Institute for Private Capital
- + Leonard W. Wood Center for Real Estate
- + Luther H. Hodges Leadership Center
- + NCGrowth
- + UNC Tax Center
- + Urban Investment Strategies Center
- + Wells Fargo Center for Corporate Finance



A HEALTHY CHALLENGE

- + Our **CENTER FOR THE BUSINESS OF HEALTH** is a unique collaboration that brings together UNC Kenan-Flagler faculty with colleagues from UNC's healthcare programs — the Eshelman School of Pharmacy, Gillings School of Global Public Health, School of Nursing, Adams School of Dentistry and the School of Medicine — along with experts from the schools of Social Work, Information and Library Science, Law, and departments within the College of Arts & Sciences.

THE MISSION IS
THREE-FOLD: CREATE
KNOWLEDGE, PREPARE
BUSINESS LEADERS
AND CONVENE
CONVERSATIONS.

PROVIDING HIGH-QUALITY, COST-EFFECTIVE HEALTHCARE IS ONE

OF THE KNOTTIEST CHALLENGES THE U.S. FACES.

2018 IMPACT

AT A GLANCE

ALUMNI

4,500+

HAVE CAREERS WITH
FORTUNE 500 COMPANIES

400+

CEOS

2,877

C-LEVEL ALUMS



1,700+

ALUMNI CAREER
ADVISOR NETWORK

36,955

ACTIVE ALUMNI FROM

86

COUNTRIES

ANNUAL GIVING

7,304

DONORS
(RECORD TOTAL)

48.7M

IN CASH AND
COMMITMENTS
(RECORD TOTAL)

15

NEW SCHOLARSHIPS
AND FELLOWSHIPS ACROSS
DEGREE PROGRAMS

4.1M

IN UNRESTRICTED
GIVING
(RECORD TOTAL)



FINANCIAL + EMPLOYMENT

TRENDS OVER 3 YEARS

	FY18	FY17	FY 16
REVENUE (\$000)			
Executive Development	21,756	24,018	26,438
Executive MBA	13,157	14,499	13,948
Online Programs	26,756	19,511	14,328
Tuition and Fees	46,035	43,474	38,743
Advancement	19,377	17,442	14,994
TOTAL	127,081	118,944	108,451
EXPENSE (\$000)			
Faculty	38,814	36,046	33,476
Staff	15,606	14,945	13,212
Academic Programs	50,322	47,978	43,279
Financial Aid	11,254	11,276	9,192
Infrastructure	5,837	4,830	4,311
TOTAL	121,833	115,075	103,470
ENDOWMENT (\$M)			
Market Value	191M	177M	163M
Endowment Return	12.0%	12.1%	-2.0%
STAFF HEADCOUNT			
Permanent	320	274	257
FACULTY HEADCOUNT			
Permanent	124	117	119

BOARD OF ADVISORS

Members provide advice and counsel to the dean, serve as ambassadors and advocates for the School, and help secure the private resources that ensure excellence.

George Alexander (MBA '11)
John Andrew Allison IV (BSBA '71)
Richard E. Allison Jr. (BSBA '89, MBA '95)
Jeffrey Alan Allred (BA '76, MBA '80, JD '80)
Phillip D. Ameen (BSBA '69)
Dwight W. Anderson (MBA '94)
Nathan R. Andrews (BSBA '93, MAC '93)
Sam B. Bowles (BSBA '97)
Kimberly P. Brunson (BSBA '83)
Brent Callinicos (BSBA '87, MBA '89)
David Milton Carroll (BSBA '79)
Susan E. Cates (MBA '98)
James T. Clark (BA '93, MAC '95, MBA '01)
Jan L. Davis (BA '73, MBA '79)
Ajit Dayal (MBA '83)
Alexander P. Dickey (BSBA '87)
Deborah H. Ellis (MBA '75)
Joi Ernst (BSBA '98)
Peter Fox
Paul Fulton (BSBA '57)
Allen E. Gant Jr. (UNC '70)
Meredith H. Garwood (BSBA '87, MAC '89)
Thomas J. Gawronski (BSBA '80)
Michael L. Griffin (BSBA '87)
Jeffrey A. Hoffman (MBA '93)
Rolf K. Hoffmann (MBA '87)
Leo S. Horey III (MBA '90)
James Jackson (MBA '82)
Harry T. Jones (MBA '99)
Robert A. Jones (BA '77, MBA '80)
Peter L. Keane (MBA '87)
Christopher A. Keber (MBA '02)
Francis X. Kelly
Frank Hawkins Kenan II (MBA '11)
Steven D. Krichmar (BSBA '80)
Stuart Wright Kronauge (BA '91)
H. Kelly Landis III (BSBA '79, MBA '82)

Lynn Diane Lewis (MBA '86)
Jason T. Liberty (MBA)
Eric A. Livingston (BA '92, MBA '11)
Anne Harris Lloyd (BSBA '83)
Tom Lutz (BSBA '87)
Charles McNairy (BA '97)
Nancy S. Millett (BSBA '83)
William M. Moore Jr. (MBA '67)
C. Toms Newby III (BSBA '89)
Kennedy C. O'Herron (BA '72, MBA '80)
William F. Paulsen (BSBA '69, MBA '71)
Michael J. Peterson (BSBA '81, MBA '87)
Earl Norfleet Phillips Jr. (BSBA '62)
Cameron R. Rice (MBA '03)
Lansdon B. Robbins III (BSBA '87)
William L. Rogers (BSBA '68)
Mary Shelton Rose (BSBA '87, MAC '88)
William G. Seymour (BSBA '64)
Kevin S. Smith (BSBA '90)
William N. Starling (BSBA '75)
Frank Cable Steinemann Jr. (BSBA '70)
W. Franklin Sutton (BSBA '82)
Patrick G. Trask (MBA '00)
Jeffrey K. Tucker (MBA '00)
R. Steven Vetter (BSBA '78)
Vanessa A. Wittman (BSBA '89)
G. Smedes York (MBA '68)

Brad Bertinot (MBA@UNC '14, MAC '16)
Tonya Brady (BSBA '94)
James Brandau (MBA '10)
Patrick Brennan (MBA '13)
Cole Buckfelder (BSBA '08, MBA@UNC '14)
Bishop Byerly (BSBA '07)
Pete Canalichio (MBA '90)
Gabe Catala (BSBA '07)
Mary Elizabeth Catala (BSBA '07)
John Chapman (BSBA '00, MBA '08)
Jason Colgate (MBA '09)
Anthony Cummings (MBA '97)
Greg Damron (MAC '97)
Scott Davis (BSBA '84)
Rich Doggett (MBA '95)
Mark Donnolo (MBA '93)
Mark Edwards (BSBA '83)
Alexander Fahmi (MBA '14)
Stuart Friou (BSBA '88)
Ali Fromm (BSBA '97)
Mark Grabowski (EMBA '14)
Mary Moore Hamrick (MBA/JD '87)
Chris Heimers (MBA '13)
Kurt Hockmeyer (MBA '06)
Barry Holloway (BSBA '73)
Nora Jabbour (BSBA '06, MBA '14)
Alexander Jackson (MAC '16)
Bob Kadlec (BSBA '85)
William Keesler (BSBA '08)
Indra Lahiri (MBA '09)
Mac Lewis (BSBA '94)
AraLu Lindsey (BSBA '83)
Jonathan Lowe (MBA '18)
Chris Mallin (MBA '15)
Michael Marr (BSBA '82)
Betsy Matthew (EMBA '95)
Brian McBroom (BSBA '88)
John McMichael (MBA '93)
Charlie Mercer (MBA '09)
John Murchison (JD '02, MBA '02)
Laura Oslick (MBA '12)
Tim Palmer (BSBA '13)
Jack Partain (BSBA '13)
Kendra Perlitiz (MBA '11)
Allison Phillips (MBA '05)
John Puskar (MBA@UNC '18)
Amanda Rabideau (MBA '11)
Cindy Rahman (BSBA '03)
Carl Rice (MBA '94)
Brett Scodova (MBA@UNC '14)
Margo Shepard (BSBA '78)

ALUMNI COUNCIL

Members serve in an advisory capacity to Alumni Relations and to the dean, and are charged with communicating UNC Kenan-Flagler's activities, priorities and intellectual resources to external constituencies; representing the interests of the alumni population to the dean and the Alumni Relations staff; advancing the work of the council through service to current initiatives; and building the School through leadership.

Atul Aggarwal (MBA '89)
Alex Bean (BSBA '07)
Diana Berry (MBA '15)

Louise Smith (BSBA '06,
MBA@UNC '13)
Barron Stroud Jr. (BSBA '88,
JD '91)
Chris Thomas (BSBA '84)
Dianne Thomas (BSBA '82)
Deron Weston (MBA '00)
Jim White (MBA '06)
Genna Zimmer (BSBA '14)

KENAN-
FLAGLER
BUSINESS
SCHOOL
FOUNDATION
BOARD OF
DIRECTORS

The purposes of the board are to aid, support and promote teaching and research; to encourage the establishment of endowment funds for professorships, visiting professorships, fellowships and scholarships; to solicit, acquire, receive, hold, invest, reinvest, sell, transfer, exchange, administer and manage property for the benefit of the School and to make expenditures to and for the benefit of the School; and to do anything that may be deemed desirable or expedient for the advancement of the School, its programs, its faculty, its staff and its students.

Betsy Battle (ABJO '76)
Gregory Brown
Stephen Cumbie (BA '70,
MBA '73)
Shontel M. Grumhaus (BSBA '97,
MAC'99)
Patrick G. Hartley (BSBA '76)
David Hofmann
Francie Keenan (BSBA '76)
John McColl (MBA '91)
Adam Mersereau
John C. O'Hara, Jr. (MBA '79)
Douglas A. Shackelford
(BSBA '80)
Steven Skolsky (BA '78)
David W. Stevens
Brien White (BA '99)





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