



Summer 2017 Newsletter

CENTER UPDATE FROM DIRECTOR TED SCHROEDER

Greetings from the sunny and hot campus of Kansas State University. While campus has settled down for the summer, a lot is still happening at the center. Our senior class of risk management Student Fellows just graduated with 100% job placement in excellent roles offering very competitive starting salaries. Our 2018 cohort of Student Fellows are out all over the world on summer internships. This past semester we enjoyed our largest combined class of Student Fellows with more than 50 active students across the two cohorts engaged in the Center.

During the spring, we completed five student-led research projects with industry sponsors and we launched four additional student-projects including one that was presented during the annual STEC Beef Safety Conference in Lincoln, Nebraska in June.

The semester also saw a large number of outstanding guest lecturers visit campus, and we made trips to Kansas City, and Washington, DC. While in DC, the Council of Insurance Agents & Brokers graciously hosted us in their conference room for two days as ten different risk industry experts addressed the group. We also toured the main office of the Commodity Futures Trading Commission where we met with several members from the agency.

It was quite a busy and very productive spring including a substantial effort focused on CRMER strategic planning. As a result, we will focus on several priorities that will build an even better future for the center. In addition to our core

student educational experience that we will continue to offer, we are also breaking ground on a host of exciting new ventures. We are adding a new sophomore student section to the Center; we are increasing our internship and career services for students and industry partners; our undergraduate certificate program is officially on the university system; we are adding more graduate student research funding options; and we are exploring executive education.

Our growth has been robust and we are immensely excited about continuing to offer even greater opportunities for students and industry partners in advancing risk management education. Thank you to all who have so generously given of their time, talent, and financial support for the Center – our success is driven entirely by your investment. We invite you to join us if you would like to learn more about becoming involved!

Sincerely,

Ted Schroeder, Director
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THE STUDENT FELLOW EXPERIENCE

SPRING SEMESTER HIGHLIGHTS

The Student Fellow experience combines experiential learning and interdisciplinary collaboration to increase students' knowledge in risk management. This spring, 54 Student Fellows participated in CRMER's ninth semester of educating the next generation of risk managers. Industry site visits in addition to monthly executive guest lectures made the semester equally eventful and engaging for the Student Fellows. The newest class of 32 students participated in their first semester in the center while the graduating class of 22 students completed their final semester after presenting the research projects in early May. Below are brief summaries of the student activities, you can learn more about each event by following the Student Fellow blog, crmerstudents.wordpress.com

ADM- Student Fellows visited ADM Milling's Technical Center in Kansas City. The Fellows took a guided tour of the testing area, observing the careful procedures ADM utilizes to analyze product samples from their facilities around the country. Several executives from ADM also explained to the group how each sector of the company manages its risks.

TIMOTHY BARR, NBAF- Timothy Barr, Project Manager for the National Bio and Agro-Defense Facility (NBAF) discussed the challenges of overseeing construction for the massive facility currently under construction near K-State's Manhattan campus.

DREW HANNAN, ASURION- Drew Hannan, Global Risk Management Manager for Asurion discussed effective risk assessments and introduced students to the data analysis tools Asurion uses to understand and mitigate risks.

CHRIS LOUW, SABMILLER- Chris Louw, former Group Insurance and Operational Risk Manager for SABMiller explained how large corporations structure their insurance programs. Chris examined the steps of an effective risk assessment process and discussed his new role with Sandal's Resorts.

KEN BEDINGFIELD, NORTHROP GRUMMAN- Corporate Vice President and Chief Financial Officer Ken Bedingfield illustrated how Northrop Grumman has implemented an enterprise risk management council to regularly evaluate the company's key risks.

CHRIS HAVERKAMP, PARAGON AG ADVISORS- CEO of Paragon Ag Advisors, Chris Haverkamp shared how his passion for trading influenced the founding of Paragon. Student Fellows learned about Paragon's business practices that guide customers to success.

ADVISORY COUNCIL-CRMER welcomed back its Advisory Council members to campus to discuss strategic initiatives for the center. Council members participated in a discussion panel followed by a networking session with the Student Fellows.

RESEARCH PROJECTS-22 Student Fellows worked in groups to complete 5 research projects, adding to the 11 projects already completed by previous cohorts. CRMER research projects provide students with experience working in a multidisciplinary team to address a real world problem that requires risk management.



INDUSTRY IN ACTION

STUDENT FELLOWS VISIT WASHINGTON, DC

26 Student Fellows traveled to Washington, DC in May for CRMER's second trip to the nation's capital. The group met with more than a dozen professionals who commented on current topics in risk including, cyber security, terrorism, regulation, and legislation. A special thank you goes out to all of our guest speakers who helped make this trip an exceptional learning experience. We would also like to thank Todd Kemp & NGFA, Gregg Doud & CMC, Michael Torrey & Michael Torrey Associates, and Colin Woodall & NCBA for helping sponsor our trip, as well as the Council of Insurance Agents and Brokers for hosting us during our visit.



THE COUNCIL OF INSURANCE AGENTS & BROKERS Senior VP of Membership, Alycia Kiley, and Senior VP of Sales & Business Development, Webb Milward discussed how CIAB collaborates with its members to drive the insurance industry forward.

HOMELAND SECURITY Dr. Carol Brevett, Principal Scientist for the Chemical Security Analysis Center explained how DHS evaluates the probability and impact of chemical terrorism threats.



RISK COOPERATIVE Andres Franzetti, Chief Strategy Officer and Founding Member discussed the innovative strategies their firm utilizes to provide proactive risk management solutions for their clients.

CMC & DELTA STRATEGY GROUP Gregg Doud, CMC President, and Scott Parsons, Founding and Managing Partner for Delta Strategy Group reflected on the risks associated with historically significant economic events.



ARENT FOX Alex Manning, Senior Government Relations Director examined managing the risk of cyber-attacks and cyber security, including implications of the recent WannaCry attack.

CFTC Student Fellows visited the CFTC's DC office, they heard from a variety of experts and toured the facility to understand how the CFTC oversees market regulation.



MICHAEL TORREY ASSOCIATES Principal and Founder, Michael Torrey discussed risk management in politics and the important role of effective lobbyists.

NATIONAL GRAIN AND FEED ASSOCIATION Todd Kemp, Vice President of Marketing and Treasurer discussed the current topics NGFA is advocating on behalf for the continued growth and success of US agriculture.



FBI Special Agent Mark Betten highlighted details of a recent FBI investigation into foreign nationals' involvement in intellectual property theft.

NETWORKING RECEPTION Student Fellows took in a panoramic view of the DC skyline from the roof of NCBA's DC office while they met with K-State alumni and friends of CRMER.



STUDENT FELLOW SPOTLIGHT

JOSIE ANDERSON



Major: Industrial Manufacturing and Systems Engineering

Year: Senior

Hometown: Overland Park, Kansas

What drew you to CRMER's Student Fellowship program?

I am always looking for interesting ways to supplement my education. Industrial engineering is very broad and can be applied in a number of fields. The risk management fellowship appealed to me because it presented a way for me to apply the engineering skills I've learned from my degree to another major field of interest- risk.

What has been the most valuable experience of the program?

The Washington DC trip for sure. It's a very turbulent time in DC at the moment, for several reasons, and hearing from professionals in a wide range of industries about how the administration change affected their jobs was very interesting. The trip also opened my eyes as to how much goes on in DC (and other places around the world) that we'd never think about, even though it directly affects us. For example, the day

after the WannaCry virus hit, we were speaking with a cyber-security lobbyist, hearing his insights to the problem, how companies could have protected themselves from that risk, and how that attack would help the world take cyber security more seriously. We also heard from an FBI agent about a case where he stopped a Chinese company from stealing newly developed corn seed technology from Midwestern companies. The risks presented to us in DC, while at times nerve-racking, were incredibly interesting and I felt very privileged to have been able to attend.

How has the center enhanced your understanding of risk?

Touring companies, attending guest speaker presentations, and getting to see real examples of risk in various industries has taught me infinitely more than any lecture or class on risk ever could have. I have also strongly benefited from being exposed to so many different types of risk across several diverse types of organizations. The unique presentation of material has been incredible in developing my understanding of risk. All the extra work that the center puts in to deliver us these opportunities is well worth it and very appreciated!

How is your summer internship going?

This summer I am interning with FedEx Freight, in their west Kansas City location. I just started my internship, so it's been a lot of training and learning about the company structure so far. We are beginning to look at staffing models and layouts for our docks, with the goal being to develop schedules and layouts so that employees are working the freight as soon as it comes in and not getting in each others' ways. This way the freight can be shipped as soon as possible, spending minimal time sitting in the dock. Additionally, since the dock isn't too crowded, employees minimize the risk of accidents or incorrect freight handling.



What are you most looking forward to this year?

Definitely our research project! I'm excited to apply all the information I've learned about identifying risk to a real-world problem. I'm also looking forward to learning to apply ways to combat and protect ourselves from risk in practice through the research project.

STUDENT FELLOW ALUMNI SPOTLIGHT

BRADY HEIDRICK



Degrees: Bachelor's degrees in Finance and Accounting in 2016

Hometown: Olathe, Kansas

Current Employer: Koch Fertilizer in Wichita, KS

Tell us about your current job, what do you do?

I work as a Market Analyst for Koch Fertilizer, a subsidiary of Koch Ag & Energy Solutions in Wichita, KS. Our company both manufactures fertilizer, and trades an array of fertilizer products around the world. My primary responsibility is to support our international business with fundamental analysis. Our goal is to find arbitrage opportunities where we can profitably transport fertilizer from where it is plentiful, to where it is needed with superior relationships, market knowledge, and efficient logistics. I am responsible for building a supply and demand model for the South American region and keeping up with the dynamic market movers, such as production and consumption in the area, as well as global trade flows or geopolitical factors. In addition, I use the market fundamentals to analyze many different factors, such as farmers' elasticity or seasonality tendencies, which help me forecast demand

in the months and years ahead. All this analysis culminates in providing strategy recommendations to our traders regarding physical product to buy and sell, or executing specific paper trades.

What did you enjoy most about the CRMER Student Fellow program?

I really enjoyed the opportunity to work with, and learn from, different peers and companies that I normally wouldn't have been exposed to within the college of business. Hearing diverse perspectives from business executives across industries helped me learn to think outside the box and have confidence even if I had an idea that didn't fit the status quo. After transitioning to the workplace, I can appreciate first-hand how different mindsets, and specifically those revolving around risk exposure, can positively impact your business in the rapidly changing commodity trading business. It was also great to develop a relationship with our partner company and understand the questions a business faces each day while working with my team on our research project.

How has your Student Fellow experience helped you in your current job?

As someone with a limited agriculture background, and now working in the agricultural industry, it was a beneficial to spend significant time with several companies in the sector, as well as fellow peers with immense industry knowledge. More importantly, the opportunity to listen to an array of companies talk about how they manage their unique risks exemplified how there is never only one right answer. At times, it can be easy to fall into the academia mindset of black and white situations, but the workplace is full of grey, and bringing a different point of view to the table is extremely valuable.

What advice do you have for the current Student Fellows?

Make sure to keep an open mind going in to each meeting, company presentation, trip, or event. With the goal of having a reach across a multitude of industries, it is probable that not everything will be of prime interest to all students, but there is always a learning opportunity. It is important to remember that your peers are a source of knowledge, and to take advantage of this opportunity to work and learn from people with different backgrounds, majors, and viewpoints.

What new developments do you hope to see from CRMER in the future?

I hope that there is a continuation in the selection of diverse students, as well as collaboration with companies across different industries. I also believe the addition of more hands-on learning through interactive case studies would be beneficial. The ability for Student Fellows to brainstorm and offer suggestions on what they would have done in a hypothetical or historical situation and then receive feedback would add to the already abundant learning opportunities.

FUNDING FOR THE FUTURE

FOUNDATION UPDATE FROM EMILIE FINK

I wake up every morning thinking about the future of Kansas State University. What are the emerging programs our institution is poised to champion, and what impact would a private philanthropic investment have? The Center for Risk Management Education and Research (CRMER) is one of those big ideas putting Kansas State University on the map – a model interdisciplinary, experiential learning program uniquely infused with key industry partnerships – and completely privately funded.

As the CRMER program grows in scope and scale, so does the need for a more sustainable funding model. The strategic planning exercise this spring not only identified teaching, outreach and research opportunities, but also emphasized the importance of a robust endowment that can support our mission well in to the future. To remain world-class, we need to minimize our risk of running out of resources.

Thank you for dreaming with us as we look toward the future, and investing your time, talent and treasure in to make those dreams a reality.

Make a gift to the Center online via the [Kansas State University Foundation](#)

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