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INVESTIGATION OF ACCOUNTING PRINCIPLES AND CONCEPTS THROUGH CASE
STUDIES

by
Samantha L. LaBuda

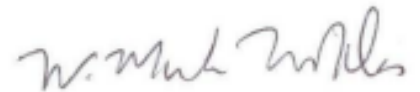
A thesis submitted to the faculty of The University of Mississippi in partial fulfillment of the
requirements of the Sally McDonnell Barksdale Honors College.

Oxford
May 2022

Approved by



Advisor: Dr. Vicki Dickinson



Reader: Dr. W. Mark Wilder

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ABSTRACT

SAMANTHA LABUDA: Investigation of Accounting Principles and Concepts Through Case Studies

(Under the direction of Dr. Victoria Dickinson)

This thesis is a compilation of case studies that involve a variety of accounting principles and concepts. I participated in a case competition where we researched different aspects of a company that we chose: General Motors. During the five-week period, we did audit, tax, advisory, and financial research into the company. In addition, I did a business interview with Michael LaBuda, researched the 2008 Financial Crisis, studied the ramifications of 9/11 on businesses, learned about Dallas, Texas as a place where I could possibly be employed, investigated Covid-19 research, and performed another interview with John Spears. All in all, I researched a variety of aspects of accounting from the principles and concepts to a possible place of employment.

TABLE OF CONTENTS

CASE I: Business Interview – Michael LaBuda.....	1
CASE II: Case Competition Week 1 – General Motors Overview.....	10
CASE III: Case Competition Week 2 – Audit.....	15
CASE IV: Case Competition Week 3 – Tax.....	23
CASE V: Case Competition Week 4 – Advisory.....	27
CASE VI: Case Competition Week 5 – Financial Research.....	33
CASE VII: 2008 Financial Crisis.....	36
CASE VIII: Ramifications of 9/11 on Businesses.....	44
CASE IX: Design Your Life.....	52
CASE X: Covid-19 Research.....	64
CASE XI: Important Researchers.....	71
References.....	78

CASE I: Business Interview - Michael LaBuda

Samantha LaBuda

Due date: January 26, 2021

Executive Summary

In this case, I interviewed Michael LaBuda, the COO of a firm based in Dallas, Texas, founded in 1994, with the goal of encouraging sustainability within the community. Dolphin Blue gives a portion of its profits each year to local chapters of environmental non-profits and works to educate people on how to conserve their resources without increasing cost or effort. In the interview, Michael recounted memories of his childhood, his educational background, his proudest accomplishments, and how he got to be such a successful person in the business community. He also shared what he learned about business in each job he has had since he was thirteen. With all of his experience in the business community, he revealed what he anticipates being the biggest challenges for his generation and my generation when it comes to business. In addition to talking about his history in the business industry, he also talked about his favorite things to do when he is not working.

While interviewing Michael, I learned some valuable lessons. While he talked about his educational background and every job that he did before he started working at his current job, I felt a sense of encouragement. I learned that all the hard work that I put into school and all of the late nights studying will eventually pay off. Additionally, Michael talked about how he wished that he would have known earlier in life to enjoy the current moment because life goes by faster than you think it will. I think that it is easy to get caught up in working toward the future and focusing on your long-term goals. I learned to enjoy my time wherever I am in the moment with the people that I am with and in the things that I am doing. Another thing that I learned while interviewing Michael was that you never have to have everything in your life planned out. In multiple stages of his life, he took advantage of every opportunity and did not always know exactly what he was going to do next. For me, interviewing someone who has been in the

business world for a while has given me a lot of wisdom and a lot of encouragement that I can one day be as successful.

1. Tell me about your life growing up before you started college or your career.

Michael grew up in a middle-class family in Detroit, Michigan. His family valued education and religion which resulted in Michael attending a Catholic school for grade school and high school. In grade school, Michael spent most of his time either doing his schoolwork or hanging out with his friends. Michael spent most of his time doing homework with his friends during lunchtime so that he could spend as much time after school playing baseball, football, or any of the sports that he liked to play for fun. In high school, most of his time was spent doing schoolwork or working at Greenfield Village, an outdoor and indoor history museum that holds some historic relics such as the Rosa Parks bus, Henry Ford's childhood home, and the Wright Brothers shop. He enjoyed his time working at Greenfield Village because he worked with his friends and would play softball, putt-putt golf, or just hang out at someone's house after work with them. As school became more challenging for Michael during high school, he became more interested in business and motivated to learn about the business community. Michael began learning about business by reading books and listening to tapes in high school. He continued to read books about business and learn as much as he could about the industry as he went to college.

2. What were your college years like?

Michael spent his college years at the University of Michigan-Dearborn. When he first began school, he was disappointed because he thought that college would be more fun. However, since he went to a commuter college, most of his time was spent doing homework, working, and hanging out with his friends with the little time that he had remaining. Most of his classes were late at night since most of the people at his college had jobs and went to school after. Michael ended up dropping out to pursue a business venture and resumed school years later online.

3. Did you know you wanted to do this when you went to college? If not, how did you decide to pursue this field of study?

Going into college, Michael did not know what career path he wanted to pursue. His father wanted him to major in engineering because that is what he did, but Michael found out that he did not want to pursue engineering as a major. He ended up switching to economics and business, both of which he enjoyed and wanted to do for a career. Michael ended up dropping out of college to start his own business and did that for many years. Michael went back to college online in the late nineties and then continued to get his master's degree online as well. He enjoyed doing school online and ended with a 4.0 GPA. He believes that all the reading and learning about the business industry was a big help once he got out of college. He believes it is a great way to educate yourself and advance your career. He thought about how he could pursue a career that tied economics and business together. Eventually, he concluded that being a manager of a business would be the best combination of both economics and business.

4. Walk me through your first jobs until where you are now. What important things did you learn at each position along the way?

Michael worked at a variety of places starting from when he was thirteen years old when he had his own paper route. He also made and sold comic books at school with his friends which he enjoyed and was somewhat profitable. At the age of fifteen, he worked at a catering company every Friday and Saturday night until two in the morning. He worked at weddings, parties, and other events. At his catering job, he saw the importance of each person's role and responsibility in creating a successful event. He saw that if someone did not do their job, then the event would be disappointing to the people who hired them. He also had a job at a restaurant being a busboy which was a lot of work and long hours. He also enjoyed working for the city and taking care of the fields while also helping the children during the day. Michael spent multiple years working at Greenfield Village in food service where he learned to get along with many different types of people with different interests and different backgrounds. He enjoyed meeting different types of people which made it his favorite job. He also worked at a meat market where he learned from the owner how to treat employees and how to keep employees motivated to work on the weekends. At all these jobs, Michael learned aspects of business, especially how to work with people.

5. What has your life been like outside of your work?

Michael loves to spend his time hanging out with and taking care of his family when he is not working. Family is the most important thing to him, and he makes sure to make them his priority. He takes care of the family house and spends a lot of time with his family playing games, going on vacations, playing sports, and watching the kids play sports. For many years, he

dedicated a lot of his time doing online classes, but Michael believes it was worth it because he felt much better after he earned his degrees. He also loves to exercise and get out of the house to spend time outdoors, especially with family and friends. Michael also enjoys reading, writing, and figuring out different things for his job which helps him to get ahead much faster.

6. What has been the best vacation you've ever taken?

The best vacation Michael has ever been on was a family vacation in San Antonio. His whole family went to a resort where they played board games, spent time on the lazy river, and took a break from work and school. The family also spent time just relaxing and enjoying each other. Michael always enjoys time when he is with his whole family.

7. If you could change two things about your life, what would they be?

If Michael could change two things about his life, he would have spent more time earlier on learning more about technology and figuring out how technology would affect the business industry. He would also change the way that he spent his time with family, work, and school. Michael wishes he would have spent more time focused on his family rather than spending some time with them, some time with his work, and some time doing his schoolwork. He believes he did a good job focusing on his family, but he thinks that he could have done a better job at balancing his time between school, work, and family.

8. What do you wish you would have known when you were 21 years old about life and your career? What piece of advice would you share with me and my classmates?

Michael wishes that he would have known how fast life goes by when he was twenty-one. He said he would have spent more time focused on the present instead of only thinking about the future and all the things that he wanted to accomplish. He wishes he would have known to enjoy the moment with the people he was with. If he were to give advice, he would say to spend time focused on where you are in the present and enjoy that time. If you appreciate the present time you are in, you can say how much you enjoyed everything that you went through and did throughout your life. Being in the moment is extremely important. In regard to his career, Michael says that he wishes he would have spent more time learning about how technology would affect his career and the business he chose. He wishes he would have known more so he could have stayed one step ahead of all the changes. He also wishes he would have spent more time enjoying the jobs that he was doing instead of always looking to the future.

9. What are you most proud of?

Michael is most proud of his family and the good job that he and his wife did raising their kids. He is very proud of the fact that he was able to give his kids options to better themselves and to do whatever they wanted to do. He believes that a large part of being a parent is giving your kids opportunities and allowing them to learn what they need to be successful in whatever they do in life. He is very glad that he has been able to do that for his family and put the time and effort into his family while also building his career. He is also very proud of the fact that he was able to stick with pursuing a career in business while working hard to keep learning. Dedicating himself to constantly learning and growing in business knowledge resulted in a

successful career for him. He also took advantage of opportunities that arose and continued to create opportunities by thinking ahead and trying to see what the future would hold so that he could be a part of it.

10. What do you think will be the biggest challenge for your generation?

Michael believes that the biggest challenge for his generation moving forward is going to be keeping up with the advances in technology that will affect the business community over the coming years. He says that he has seen sectors of businesses change or companies go completely out of business because they could not adapt to the technological advancements. He thought back to the companies who sold CDs and how they were replaced overnight by hard drives. That is an example of how sectors can be eliminated if they do not stay ahead of the new technology. He believes that his generation will need to continue to read and learn to find new ways to stay relevant. He believes they also need to make sure that their businesses are keeping up with technology and the rapid pace of everything that is happening in the world.

11. What will be the biggest challenge for my generation?

Michael believes that the biggest challenge for my generation will be the rate at which technology and business change. Everything is happening so fast and so he believes it is hard to keep up with it if one does not put in the effort to stay ahead or quickly adapt to changes. He also believes that loyalty to your organization matters because companies will be ready to move on and go to another person if you are unable to handle the fast pace of everything changing.

12. What are some of the things that helped you to be successful in your career?

Michael says that the biggest things that helped him to become successful and continue to be successful in his career are having a positive mentality, seeking out opportunities to learn, never giving up even when things are hard, treating others the way you want to be treated, and listening to feedback. He has always worked hard to stay positive through times where he was unsure of his next job opportunity or what decision to make about one of his businesses. Michael says that he always tries to exemplify positivity and encourage it from his employees and his peers because it increases the efficiency of any work environment. When it comes to continuing to seek out opportunities to learn and grow in his career, Michael likes to listen to podcasts when he takes his daily walks and reads books about business in his free time. He has always lived with the mentality of continuing to work through the challenging times. Especially with the rapid rate of technological changes in the business world, continuing to persevere through those setbacks is critical to business success. Another thing that Michael thinks is a key to success is treating others with respect and dignity. Treating your employees with respect results in increases in the longevity of employees, more loyalty, and decreases employee attrition. In addition, treating employees and peers how you want to be treated results in a happier work environment. The last thing that Michael thinks is a key to success is listening to the feedback of others. It is important to listen to the feedback of others to find answers on how to make improvements and solve problems.

CASE II: General Motors

Case Competition: Week 1

Bailey Baudier, Elle Eickholz, Alec Hudson,

Samantha LaBuda, Evelyn Rowan

Due Date: February 3, 2021

Executive Summary

The purpose of this case was to choose a company to study; however, the company we chose had to fit certain criteria. These criteria stated that the company had to be domiciled in the United States, listed on a major stock exchange, and traded publicly on that exchange for at least the previous five years. Our group decided to study General Motors (GM) because of President Joe Biden's recent statement that the government will replace the entire federal fleet of cars, trucks, and SUVs with electric vehicles manufactured in the United States. Once our group chose General Motors, we researched the company's financials, publicity, and the industry's market to understand GM's current position as a multinational corporation.

We discovered that hydrogen fuel cells have been researched and are in the process of being developed by GM among other companies for long-haul trucking and transportation. Trucks that typically travel long distances carrying large loads need to be operated by a more powerful source than battery-powered vehicles. Thus, the idea of hydrogen fueled cells. These cells will allow trucks to travel over 500 miles without the need to be refueled or recharged. We learned that the process of making less environmentally hazardous automobiles is currently being developed. This step forward will allow a safer future without putting chemicals into the atmosphere.

General Motors launched a new business unit this year which will offer more electric vehicle options. By 2025, the company plans to bring 30 new electric vehicles to the market. Over two-thirds of these will be available in North America. With Joe Biden's new promise to only have electric government vehicles, we believe this company will be exciting to study over the course of this semester.

Annual Reports

General Motors Company designs, builds, and sells trucks, crossovers, cars, and automobile parts worldwide. They first became a publicly traded company in 2010, and their automotive business is divided into two segments: General Motors North America (GMNA) and General Motors International (GNI). GM is currently investing in battery electric vehicles, car and ridesharing, autonomous driving technology, alternative fuel vehicles, and hydrogen fuel cell technology. These are potential positive indicators of General Motors potential future profitability; however, the research and development costs of these endeavors could become costly if they are not completed in a timely manner. What is interesting about GM's profitability as a company heavily relies on the success of their SUVs and full-size pickup trucks. GM's management believes that the future of their company relies heavily on the success of its crossovers, SUVs, and full-sized pickup trucks; its ability to reduce the cost of manufacturing electric vehicles; and the unique technological, operational, regulatory, and competitive risks related to the timing and commercialization of autonomous vehicles.

In 2019, General Motors sold 8.5 percent of the total vehicle industry sales in the world. This is a drastic decrease compared to the filings from 2017, when GM sold 10.2 percent of the total vehicle industry sales in the world. GM also had a net loss of \$6.667 billion; however, they made roughly \$1.3 billion more than they did in 2018. They also held a total equity balance of \$45.957 billion, an increase of roughly \$3 billion from 2018. The General Motors company also possessed earnings before income and tax (EBIT)-adjusted balance of \$8.393 billion in 2019, a decrease of roughly \$3 billion from 2018. They have also suffered a 1.8 percent decrease in units sold in North America and a 1.1 percent decrease in units sold internationally since 2018 (www.sec.gov, "General Motors Company form 10-K").

Recent News

In November, GM gave up its equity stake in Nikola. The agreement began in September when GM and Nikola announced a \$2 billion deal that gave GM an 11 percent ownership in Nikola to supply battery and fuel-cell technologies for the electric truck prototype. GM is currently partnering with Navistar to create fuel-cell technology for a new semi-truck. GM is commercializing this unconventional hydrogen fuel technology to develop new revenue in the auto industry by focusing on sustainability tactics. In the near future, America will be introduced to the new electric truck prototype as General Motors will push its new product via advertisements during the 2021 Super Bowl (Wayland). Another marketing strategy GM included to promote the electronic vehicle was a modern logo (Abuelsamid). Although GM has produced vehicles for over a century, neither the company's name nor logo have ever appeared on the vehicles it produces. GM prepares to introduce its new electric vehicles, rebranding its "corporate badge". In addition, GM is redesigning its marketing campaign to include the new contemporary design and the updated logo. GM's CMO Deborah Wahl says, "it's optimistic, it brings energy and vibrancy and reflects our view of the future," (Abuelsamid).

Industry-Level Data and Statistics

General Motors Company is part of the Car and Automobile Manufacturing Industry. Major players in this industry include Toyota, Honda, Ford, and General Motors. The industry's current revenue is \$69 billion dollars. The annual growth of the industry was negative 12.6 percent between the years 2015-2020. This was caused by the declining prices for fuel and crude oil. Between 2020-2015, the average industry growth is expected to grow 5.2 percent ("General Motors Company (GM) Latest Stock Analysis"). Key external drivers in this industry

are the world price of crude oil, consumer confidence index, trade weighted index, and new car sales. There are many key trends in this industry as well. For example, consumers in the United States have become less likely to make large discretionary purchases; this includes sedans and compact cars. Additionally, federal and state regulations have a major impact on the industry. If tariffs are placed on foreign vehicles, there will be an increase in car and automobile manufacturing in the country.

Blogosphere

Over the past year, General Motors has been one of the best-performing auto original equipment manufacturers. As of January 20, General Motors is ranked number one in the Automotive Manufacturing industry based on Seeking Alpha's Quant Ranking. GM is number four within the Consumer Discretionary sector. At the 2021 Consumer Electronics Show, General Motors announced GM's new flying EV Cadillac and sleek design EV Hummer (Egan). GM had also announced that there would be self-driving vehicles, electric vans, and electric-powered pallets in the future. The response they received from this announcement was positive. The high level of excitement that came after the announcement increased General Motors' stock price a couple of weeks ago. General Motors is working on introducing 30 new models by 2025 across its many brands. General Motors is also partnering with LG and some innovative startups to stay ahead of battery design development (Egan).

CASE III: General Motors

Case Competition: Week 2

Bailey Baudier, Elle Eickholz, Alec Hudson,

Samantha LaBuda, Evelyn Rowan

Due Date: February 10, 2021

Executive Summary

The purpose of this case was to study our company's 10-K Form to assess its financial statements and the accompanying notes to determine whether the company's financials are reasonably assured. Without learning, to any degree, the audit process, this case taught our group critical thinking skills and a more in-depth understanding of how to maneuver the financial statements. The hands-on skills learned through this case can be further applied in our later studies and will set us apart from our peers in our baseline understanding of auditing.

As an overview of our process and the tasks at hand, we initially broke down each statement by account to ascertain relevant audit risks. After choosing the six riskiest accounts, we further analyzed comparative statements to determine the materiality of the account and to describe the audit failure risk associated with that account. We then considered both preventative and detective internal controls that, if not already implemented, could minimize the occurrence of these risks. Furthermore, we considered substantive tests the auditor can do to ensure, through evidence, that the account is not misstated.

Throughout this case, our group was challenged to think like an auditor; a task we've never been tried with. The six riskiest accounts from GM's 10-K Form, as assessed by our group, are cash and cash equivalents, allowance for loan losses, inventories, goodwill and intangible assets, accumulated depreciation, and pensions. In terms of risk, these accounts were assessed on existence, completeness, valuation, and presentation to ascertain whether General Motors' financial statements are accurate as provided by the corporation.

Cash and Cash Equivalents

There is a high risk of misstatement when it comes to reporting cash due to its nature. The reason why cash reporting carries high risk is that cash is the most liquid asset and is very easy to transfer. The risk of cash misstatement can vary depending on the company's level of controls in place and the size of the business. The two causes of cash misstatement are error and fraud. The internal controls that a company can utilize to reduce cash misstatement are the segregation of duties, a regular cash count, and the safekeeping of checks and cash equivalents. The segregation of duties allows a company to make sure that separate employees record different inflows and outflows of cash to avoid any opportunity for fraudulent behavior. A regular cash count will help to ensure that the cash is not missing. The safekeeping of checks and cash equivalents entails keeping the checks and cash equivalents in a locked box in a safe. A good way to audit the cash balances is by taking a closer look at the specific cash transactions using a cash cutoff test which ensures that all transactions are shown in the financial statements. For foreign currencies, GM should perform a test of translation in which auditors will calculate the cash balances using the most recent exchange rate. If there is a material difference, the auditor looks at the reasonableness of the exchange rate. GM could use Alteryx to interpret all of their data.

Allowance for Loan Losses

Considering allowance accounts are largely estimations in nature, these accounts pose a significant risk to corporations' financial statement's accuracy. The allowance for loan losses on GM's balance sheet is further explained in the company's Notes, namely Note 5. Although the allowance has remained consistent across the comparative balance sheet, allowances are risky in

terms of completeness and valuation. Without close auditing, corporations would have the ability to minimize their estimation of allowances in order to report a higher amount of net receivables. A critical internal control that could be implemented to control the evaluation of the allowance would be quarterly analysis to assess risk. Furthermore, GM could design and implement a risk-rating system to indicate when the estimation is outside of a plausible range when compared to prior statements. GM could also use data analytics to track ratios over time such as the proportion of the allowance to gross accounts receivable. By tracking ratios over time, it allows for the creation of trends that would enable outliers to be easily identified.

Inventory

Inventory is one of the riskiest accounts General Motors has on the balance sheet. There are many risks involved with inventory. There is the merchandising concern, in which there is only one inventory account. Contrary to this, there is a manufacturing concern that typically has three inventory accounts. Another risk associated with inventory is deciding what to include in the inventory account. Goods in transit are only in inventory if they are f.o.b. destination, compared to f.o.b. shipping point, in which goods are not included in the company's inventory. Returned inventory goes back into stock. The company must also decide which cost flow assumption to adopt, which will ultimately decide the balance of the inventory account that is reported on the balance sheet. Rebates and incentives are big in the car industry. Generally, corporations give rebates and incentives to the dealerships and they are passed through the dealership to the customer. GM also gives incentives to individual dealerships for hitting certain sales targets. Considering that GM is a massive corporation with the ability to scale its production to fit demand, inventory write-downs likely are not an issue. However, because of the

current Covid-19 pandemic, reduced consumer demand could lead to a decrease in sales and would then create a need for inventory write-downs. In GM's 10-K, there are references to the use of just-in-time inventory. This reduces the risk of obsolescence since the goods do not sit in the back of warehouses for extended periods. Just-in-time inventory can make the valuation of inventory hard because of the possibility of significant price changes due to market conditions. These price changes make the testing of cost of goods sold challenging. The challenge with testing the cost of goods sold is due to the samples selected possibly not being an accurate representation of the entire population. To mitigate the misstatement risk, there are internal controls for General Motors to implement. First, the company can count all incoming and outgoing inventory to keep a record of what should be stated on the account. In addition, the company can conduct cycle counts throughout the whole year, where a staff member will choose one section of the inventory to count to find any additional or missing inventory. Auditors use substantive tests to gather evidence that the inventory account is not misstated. One commonly used test is conducting an onsite physical inventory count. Now, auditors are conducting inventory counts virtually as well. Auditors also match purchase orders and supplier invoices to the inventory records to make sure the account is correctly stated. Finally, data analytics can streamline the audit process for the account by using software, such as Tableau, to visualize inventory levels and compare them to the different quarters or periods. Tableau could also show a spike in sales which would result in inventory being low and any fraud or suspicious activity taking place internally.

Pensions

Pensions can be easily described as complex. There are many unknowns and vague explanations to people who retire and how they might receive their pension. Employers must exceed expectations, and even then, there is no guarantee when those retiring will receive their money. Especially during the beginning of the current Covid-19 pandemic, pension plans could have been in jeopardy since the stock market dropped 37 percent. The pension plan could have been strapped for cash since it has required distributions. Pension plans are ultimately being phased out. In GM's 10-K, it notes that employees hired before October 2007 are eligible for pension plans. This means that anyone hired after 2007 can participate only in the defined contribution plan (401k). The expense they expect does not necessarily mean cash equivalence. It also results in an issue with expense and recognition. Therefore, it becomes a liability to many. For General Motors to be successful in creating a reliable pension plan for retirees, there needs to be a set framework for the pension account. Guidelines need to be enforced. Also, a selected board of trustees must be in place. Their job specifically should fall into guaranteeing or helping navigate the systems needed to receive a pension. A large portion of the money to be received in pensions is spent elsewhere such as stocks and shares. With the board of trustees in place, the risk of the pension account should be reduced greatly. In addition, since the inputs come from actuaries in calculating pensions, making sure that the calculations are accurate and double- checking their work would be a necessary control.

Goodwill and Intangible Assets

The goodwill and intangible assets account on General Motors' balance sheet is an account that could very easily be miscalculated. One of the big issues with the goodwill and intangible assets account is that it is recorded at cost. The items in this account also have a

limited or indefinite useful life. One way that GM could help combat a miscalculation would be to record items in the goodwill and intangible assets account, such as technology and intellectual property, at market cost. Another way that GM could make sure that this account is valued correctly is to verify the valuation, amortization, and usefulness periodically. For the goodwill and intangible assets account, the first test you can conduct is to see if the reporting unit's fair value is less than its carrying amount. If it is, then you need to recognize a goodwill impairment equal to the difference between the carrying amount of the reporting unit and its fair value, but it cannot surpass the carrying amount of the account. General Motors could streamline the audit process by using data analytics to reduce some of the risks surrounding miscalculations in the calculations of amortization and usefulness. We suggest that GM use data analytics to correlate the present value cash flows generated by the intangibles to the recorded balances. For example, regression analysis could be used to better estimate future cash flows used as an input to the impairment test process.

Accumulated Depreciation

Accumulated depreciation expense is used by companies to reduce the cost of assets in the asset accounts. It is considered risky in nature due to the account being understated on financial statements. With understating accumulated depreciation expense, accounts such as gross profit, retained earnings, and stockholder's equity can be affected as well. This alone emphasizes how risky the accumulated depreciation expense account can be. A change in the depreciation method is a change in an accounting estimate so it should be accounted for prospectively. Therefore, the prior period depreciation expense and net book value of fixed assets should not be restated. Fixed assets becoming obsolete should not be a big deal to GM if the assets are used effectively and efficiently to fulfill their intended functions. Just because a

fixed asset has been fully depreciated does not mean that it no longer has function and value, since the net book value of fixed assets can be manipulated throughout its useful life estimate. Since GAAP gives the ability to choose between various depreciation methods, it leaves a lot of room for subjective estimates. Property, plant, and equipment (PPE) needs to be tested for impairment not just based on damage, but also for the future cash flows that the PPE is expected to generate. This is because fixed assets should be impaired if they can no longer be used to generate cash flows. In order for General Motors to control the risk of this account, internal controls from the company must force a resolution to these issues. Their priority should be stating the official depreciation costs in a policy that requires consistent entries to be made so that one may guarantee General Motors' numbers correlate. An addition to this policy would be acknowledging the evolving depreciation expense as it changes through inflation and other factors over time. Once this policy is in place, a system should be developed that allows internal controls to know what the accumulated depreciation expense is at the given time and confirm the entries that follow to verify the numbers are correct. GM can also utilize a data analysis tool that puts fixed assets into various categories and uses that in conjunction with sales of certain classes of cars.

CASE IV: General Motors

Case Competition: Week 3

Bailey Baudier, Elle Eickholz, Alec Hudson,

Samantha LaBuda, Evelyn Rowan

Due Date: February 19, 2021

Reshoring Tax Credit

Under Biden's administration, he has proposed a plan to incentivize returning jobs and corporate operations to America with a 10 percent tax credit. This tax credit applies to General Motors (GM) if the corporation revitalizes the previously closed manufacturing plants while also increasing their manufacturing payroll, which, in essence, will also allow the company to avoid the offshoring tax penalty. As of the beginning of last year, GM closed overseas plants in Australia, New Zealand, and Thailand. Additionally, General Motors is currently undergoing efforts to reopen and restructure plants in America in order to manufacture the electric vehicles domestically. The other direct effect of the Tax Cuts and Jobs Act on GM's tax liability is the increase of the federal corporation flat tax rate from 21 percent to 28 percent. In recent years, General Motors restructured its operations and financials to minimize its income tax liability. These moves are apparent in Note 17, "Income Taxes," located in the notes to their financial statements. In the past three years, General Motors claimed \$769 in 2019, \$474 in 2018, and \$11,533 in 2017 in income tax expenses ("PDF.", General Motors Form 10-K). These numbers don't relay other figures GM is taxed on since tax returns are not public; however, it clearly illustrates their efforts in minimizing taxable income and the tax liability as a whole. Given that General Motors meets the reshoring criteria to be eligible for Biden's 10 percent tax credit, the corporation is likely to experience a more minimal tax liability or even a refund for the extent of his administration.

Research and Development Tax Credit

General Motors should take advantage of the Research and Development Tax Credit. This tax credit is applicable to General Motors because of its commitment to creating 30 new electric vehicles by 2025. The tax credit will be a short-term solution until these new

vehicles are released. There is a requirement of the tax credit to, “develop or design new products or processes” (“U.S. Research and Development Tax Credit.”, 2017). This requirement means that the company will need to design, engineer, and produce new vehicles. There is another tax credit requirement to develop or improve existing prototypes and software (“U.S. Research and Development Tax Credit.”, 2017). General Motors says they are building a competitive advantage in batteries, software, vehicle integration, manufacturing, and customer experience. One option with this credit is to take a deductible of \$100,000. However, this option will not be as feasible as taking the tax credit. Form 6765 from the IRS calculates the credit for researching activities.

100 Percent Bonus Depreciation Provision

The 100 percent bonus depreciation provision will expire in 2026, but it could be one of the best short-term tax credits that General Motors could use. This provision allows businesses to immediately deduct the total cost of machinery, equipment, and other various forms of property from their net income. However, the temporary nature of this provision only allows companies to deduct the total cost of short-lived assets from 2018 to 2022 (“Testimony: The Positive Economic Growth Effects of the Tax Cuts and Jobs Act”, 2020). In 2023, the provision will begin reducing the amount available to be written off by 20 percentage points each year until it expires at the end of 2026. If General Motors wants to benefit from this provision, it needs to recalculate the amount of depreciation expense that it faces for 2019. We were unsure of how to calculate this figure because we did not know the exact change in total assets and the depreciation rate that they face on certain assets. However, we do know that they would need to depreciate 100 percent of the taxable cost of the property purchased during the fiscal year. The

depreciation rate of property purchased during the previous years would not change; however, GM could use this provision to its full advantage until the law is changed or until 2024. It would be more beneficial not to use this provision during the year 2025 because the provision depreciation rate would be lower than the normal bonus depreciation rate, 50 percent. This tax advantage will especially be useful in General Motors' investments in EV production equipment, battery production equipment, and acquiring new property for manufacturing plants. Utilizing the bonus depreciation election for the current and upcoming capital expenditures for the EV program will minimize General Motors' corporate tax liability.

CASE V: General Motors

Case Competition: Week 4

Bailey Baudier, Elle Eickholz, Alec Hudson,

Samantha LaBuda, Evelyn Rowan

Due Date: February 26, 2021

Operations and Other General Information

General Motors' (GM) core business is to design, manufacture, and sell different automobile parts. They conduct business and generate revenue on six different continents ("About Us" 1). General Motors conducts over half of their businesses in the United States with corporate headquarters located in Detroit, Michigan. General Motors' mission statement is, "to earn customers for life by building brands that inspire passion and loyalty through not only breakthrough technologies but also by serving and improving the communities in which we live and work around the world," (Kissinger 5). The company's vision statement is, "to become the world's most valued automotive company," (Kissinger 3).

General Motors has numerous suppliers. In June 2020, GM recognized 116 suppliers for the "Supplier of the Year" award. These suppliers are from 15 different countries. Over the past eight years, GM spent an average of \$3.6 billion with minority suppliers, "GM Honors Top Global Suppliers for Innovation and Performance" 3). General Motors' largest customers are dealerships. GM has 4,232 dealers in the United States and many more outside the country as well. This is where the majority of their profit comes from ("About Us" 1).

General Motors has more than one competing brand. GM's strongest competitor is Ford Motors (FM). GM seems to continue with a narrow lead in revenue against FM. "The U.S. is the core market of General Motors accounting for a sizable part of its revenue where Ford is trailing GM," (Pratap 3). Both companies are respectable and reliable to the people of the United States and have been rivals for decades.

Government Regulation

One of the biggest threats to General Motors success is government regulation. Changes in financial policies under the Biden administration could have a negative impact on the success of General Motors; however, changes in environmental policies could have an even more detrimental impact on their success. The Biden administration has expressed their hopes to replace all federal vehicles with 100 percent clean energy and zero emission vehicles, promote advanced biofuels, and implement new fuel economy standards (natlawreview.com). These are a few of the potential policy changes that could be detrimental to GM's success. To combat these changes, GM should adopt pricing strategies based on gas prices and projections, increase the speed of production of the electric and sustainable vehicle programs, and use tax credits offered by the Tax Cuts and Jobs Act as well as tax credits that are planned to be offered by the Biden administration.

If General Motors wants to succeed after the implementation of certain environmental policies, then they need to adjust their vehicle prices based on trends in the consumer gas market. When looking at gas prices from 2004 until 2007, there is an increase in the sales of vehicles possessing fuel efficiencies of over 30 mpg when gas is over \$2.00 per gallon (www.alliedacademies.org). The basic rules of supply and demand support the decision to change the prices of vehicles as their demands shift. This could help offset any sales decrease in GMs' SUVs and trucks.

Increasing the speed of production for the electric and sustainable vehicle programs could bring GM great success. If GM were to become the first large automobile manufacturer to create only electric or sustainable vehicles, then they could potentially see great increases in revenues, a slight increase in the cost of goods sold, and an increase in their operating income. Using tax

credits that are already offered by the federal government is one of the best ways for GM to avoid the majority of the headaches that come with changes in public policy. Credits such as the 100 percent bonus depreciation rule, the reshoring tax credit, and the research and development tax credit are the three credits that could play a large role in the success of GM.

Success of the Electric Vehicles Program and Sustainability

One of General Motors' biggest threats is the success and sustainability of the new electric vehicle prototype. Considering other major competitors are trying to produce, if not already producing, similar automobiles with electric and sustainable capabilities. To remain a major competitor, GM should roll out the sale of electric vehicles before other companies maintain a competitive advantage. General Motors has experienced a decline in auto sales in recent months largely due to the slowdown of the economic market coupled with the financial implications of the COVID-19 pandemic. If GM can put electric vehicles on the market before other competitors, the company will see a substantial increase in revenues, which in turn will also increase its record low-profit margin. Although the manufacturing and distribution of electric vehicles is costly, the increase in operating income will combat the high cost of goods sold and selling general and administrative expenses. Ultimately, the success of the new prototype for cars can minimize the effects of the high expenses involved with the innovative product. Additionally, the electric vehicles will flip GM's market from most revenues being derived from trucks and SUV sales to electric cars which successively will make the company more profitable and stable for future years. In the rollout of electric vehicles, General Motors is continuing to align its operations with its strategic mission by offering more sustainable solutions and innovative technologies for its customers and market base. The overall goal is to produce

new and emerging vehicles that are just as safe and reliable as the company's previous, well-known vehicles (Kissinger 7).

General Motors Short-Term Projections

In recomputing the ratios for profitability, we increased revenues by 3.2 percent on average to account for the rollout of the electric vehicle and the increase in profits expected from the new product line. Consequently, the cost of goods sold account had to be increased by 2.2 percent on average to forecast the high direct and indirect manufacturing costs to produce the new electric vehicles, and selling, general, and administrative expenses were also increased by 3.2 percent. Increases in the above accounts consequently increased GM's expected operating income and assets were also increased by 1.2 percent. Each of the projections above was made with consideration to future government regulations, including Biden's environmental policy, fuel efficiency requirements, and expected tax credits. GM's short-term projections coupled with the solution implementations produced a steady increase in the company's return on assets, profit margin, and asset turnover ratios over the next five years. Return on assets is expected to increase from three percent to six percent over the next five years. Additionally, the profit margin doubled from five percent to 10 percent, depicting the degree to which the new electric vehicle will be profitable. Asset turnover, on the other hand, remains relatively constant throughout the next five years as the asset account isn't projected to see a substantial increase (only 1.2 percent). Refer to Figure 1.

Figure 1

GM's Projected Growth (in millions)

	2020	2019	2018	2017	2016
Revenue	\$122,485	\$137,237	\$147,049	\$145,588	\$166,380
COGS	\$97,539	\$110,651	\$120,656	\$114,869	\$120,499
SG&A Expenses	\$7,038	\$8,491	\$9,650	\$9,570	\$11,710
Operating Income	\$6,634	\$5,481	\$4,445	\$10,016	\$9,962
Assets	\$235,194	\$228,037	\$227,330	\$212,482	\$221,690
Liabilities	\$185,517	\$182,080	\$184,562	\$176,282	\$177,615
Return on Assets	2.82%	2.40%	1.96%	4.71%	4.49%
Profit Margin	5.42%	3.99%	3.02%	6.88%	5.99%
Asset Turnover	52.08%	60.18%	64.69%	68.52%	75.05%

	2025	2024	2023	2022	2021	Projected Growth %
Revenue	\$143,359	\$137,845	\$132,543	\$128,683	\$124,935	(3.2% AVG.)
COGS	\$108,736	\$105,569	\$102,494	\$100,485	\$98,514	(2.2% AVG.)
SG&A Expenses	\$8,237	\$7,921	\$7,616	\$7,394	\$7,179	(3.2% AVG.)
Operating Income	\$14,385	\$12,355	\$10,433	\$8,804	\$7,242	
Assets	\$249,639	\$244,744	\$242,321	\$239,921	\$237,546	(1.2% AVG.)
Liabilities	\$176,425	\$178,207	\$180,007	\$181,825	\$183,662	(-1.0% AVG.)
Return on Assets	5.76%	5.05%	4.31%	3.67%	3.05%	
Profit Margin	10.03%	8.96%	7.87%	6.84%	5.80%	
Asset Turnover	57.43%	56.32%	54.70%	53.64%	52.59%	

CASE VI: General Motors

Case Competition: Week 5

Bailey Baudier, Elle Eickholz, Alec Hudson,

Samantha LaBuda, Evelyn Rowan

Due Date: March 3, 2021

General Motors Stock Price & Other Financial Indicators

General Motors' (GM) stock's closing price on the last day of the fiscal year was \$41.64 per share. GM's Price-to-Earnings ratio (P/E) as of the last day of the fiscal year was \$9.62. We computed this number by taking the closing stock price and dividing it by earnings per share (Net income / Common Shares Outstanding). The stock's closing price from today is \$52.90 ("General Motors Company (GM) Analyst Ratings, Estimates & Forecasts").

General Motors' beta is 1.36 (5Y monthly). A beta greater than one indicates that the stock price is more volatile than the overall stock market. In the current year, 18 analysts follow their company. In the current quarter (March 2021) there are 13 and in the next quarter (June 2021) there are thirteen. The forecasted growth rate for GM for the current year is 5.7 percent; 56.5 percent for the current quarter; and 332 percent for the next quarter. The recommendation to buy for GM is 1.8 where two is "buy" and one is "strong buy." The trend to buy has been consistent over the past few months ("General Motors Company (GM) Analyst Ratings, Estimates & Forecasts").

Net Income & Common Shares Outstanding Projections

The net income for the year 2021 is \$7.242 billion. The common shares outstanding will be 1.396 billion for 2021. The projected stock price for 2021 will be \$48.10. This was calculated by taking the P/E Ratio (\$9.62) and multiplying it by the projected EPS for 2021 (\$5). In 2022, the net income will be \$8.804 billion. The common shares outstanding will be 1.382 million for 2022. The projected stock price will be \$57.72. This was calculated by taking the P/E ratio (\$9.62) and multiplying it by the projected EPS for 2022 (\$6). The net income for the year 2023 is \$10.433 billion. The common shares outstanding are 1.3541 billion. The projected stock price for the year 2023 is \$76.96. This was calculated by taking the P/E Ratio and multiplying it by the

projected EPS for 2023 (\$8). For the year 2024, the net income is \$12.355 billion. The common shares outstanding for 2024 are 1.327 billion. The projected stock price for 2024 is \$86.58. This was calculated by taking the P/E ratio and multiplying it by the projected EPS for 2024 (\$9). The net income for 2025 is \$14.385 billion. The common shares outstanding for 2025 are 1.300 billion. That was calculated by taking the P/E ratio and multiplying it by the projected EPS for 2025 (\$11). The projected stock price for the year 2025 is \$105.82. All of the projected stock prices were calculated using the earnings multiplier valuation approach method.

Validity of Tax & Advisory Strategies

The positive effects of our tax and advisory strategies can be seen in our future ROA and stock price calculations for the next five years. The ROA for the year 2021 is 3.05 percent, and we project that it will climb to 5.76 percent by the end of 2025. We also project that the projected stock price will be \$48.10 per share in 2021, and it will climb to \$105.82 per share by the end of 2025. These numbers are achievable due to our tax and advisory strategies.

The increase in ROA validates the positive effects of our tax strategies. The increase in stock price also validates our advisory strategies. Our advisory strategies are validated by our increase in stock price because an increase in the price of GM stock shows an increase in demand. This increase in demand can be directly linked to the negative effects of government regulation on traditional vehicles, and it can be linked to the positive effects of GM being the first large automobile manufacturer to release a full line of electric vehicles. The risk that General Motors would take by utilizing our strategies is at a moderate level. General Motors' cost of capital will increase, but we believe that it will be a worthwhile investment. The effects of the increase in the cost of capital have been reflected in our stock price.

CASE VII: Financial Crisis Case

Samantha LaBuda

Due Date: April 21, 2021

Executive Summary

In this case, I watched a video on crony capitalism and the cause of the 2008 Financial Crisis. Also, I watched a documentary called *Inside Job*. I also read an article on the Gaussian copula function and its implications on the financial industry. Finally, I read an article on Goldman Sachs, a global financial institution, and how its power resulted in many bubble periods. In the crony capitalism video, I learned that crony capitalism is a system practiced in the world beginning many years ago. Crony capitalism is an immoral system due to the bribery taking place. The government is bought off through financial payment or social connection to buy the more expensive goods. When the government purchases more expensive goods, the money spent is not beneficial to society, and it is very wasteful. In the video about the cause of the 2008 Financial Crisis, I learned that the crisis began when those in powerful positions changed rules to make the investment in mortgages riskier even though it was the safest investment.

When I watched the documentary, *Inside Job*, I learned about the background of the financial industry and the connection between financial institutions and the government. I also learned about the consequences of the financial crisis. The financial sector continues to get more powerful, and their pursuit of making as much money as they can no matter what that entails continues to be a common goal. The industry ended up turning its back on society and creating the 2008 Financial Crisis. I learned a lot about the path that the financial industry is on and where it began. The article about the Gaussian copula function talked about the person who created it, Li. I learned about the failure of the Gaussian copula function after its introduction to the financial industry. The purpose of the Gaussian copula function was for people to model very complex risks easier and more accurately. Everybody began adopting the copula function, but it

ended up eventually falling apart. In the article “The Great American Bubble Machine,” I learned about the power of Goldman Sachs and its influence on the six bubbles that occurred in history. I read that many government leaders consist of former Goldman Sachs workers, which shows the connection between the financial industry and the government.

1. How did these materials affect your trust in institutions and the government?

Before diving into any of these materials, I did not know the level of power that the financial sector has globally. Many government leaders started in the financial industry. The close connection between the government and financial institutions makes me concerned about government loyalty. The concern surrounding government loyalty stems from the many crises that have occurred because of the financial sector and the negative consequences that people globally have had to face. There can be no positive change in the financial industry when the people in power are the ones in support of the deregulation of the financial sector. Because of this, my trust in governmental institutions has decreased drastically after reading these materials. Especially after watching the documentary, *Inside Job*, I believe that the financial industry continues to threaten society’s wellbeing.

The documentary, *Inside Job*, shows the high volume of scandals that have occurred within the financial industry. The documentary also shows the large number of fines incurred by financial institutions due to their fraudulent behavior. Seeing those responsible for the scandals and fraudulent behavior being given a leadership role in the government can raise concern when it comes to the level that society can trust the government to act in their best interest. The country needs regulation. However, increased regulation was proposed and turned down by the government and financial industry leaders. The article “The Great American Bubble Machine”

spoke about how different leaders were former Goldman Sachs alum. The Goldman Sachs alum includes George Bush's last treasury secretary, Bill Clinton's former treasury secretary, Bush's chief of staff, as well as the heads of Canadian and Italian National Banks, the head of the World Bank and the New York Stock Exchange, and the last two heads of the Federal Reserve Bank of New York. The large number of former financial industry workers that now reside in the government and have authority to change and implement laws creates mistrust because of the immorality of past financial industry decisions.

I believe that the continuance of unfulfilled promises and misled investments have led to a nationwide distrust of our government. If there had been an isolated event, it would be easy to consider one culprit responsible for the crisis, such as one financial institution or one politician. However, as there have been and continue to be crises in our country, it can call to question who the real culprits are. The long history of many crashes under different leadership leads me to believe that the deceitfulness stems from those in power on Wall Street. With power comes the responsibility to be a moral and fair leader with the success of society as your motivation. However, leaders have used their power to mislead people to reap the benefits of the people in society's losses. The goals of those in power are wealth and success instead of society's success. Overall, I feel very hesitant to trust the government or the people on Wallstreet due to their history of selfish actions. By educating myself with these materials, I have learned to be more cautious of the power and trust that I put into the words of my leaders. Educating myself on these events has resulted in my mistrust in governmental institutions and the motivation to continue educating myself on the current government events.

2. How did the materials watched/ read change your beliefs about your role in society, both professionally and personally?

Before I watched *Inside Job* and read the articles, I believed that I could trust the institutions that guide society on our financial decisions. I knew that there had to be some deceit and fraud within the financial industry, but I had never known it was as bad as it was. My original belief regarding my role in society has completely changed and makes me wearier of the kind of trust that I put into the leaders of our government. After hearing about what crony capitalism is and how it can tempt politicians to continue to break the law, it makes me concerned with the government and the future of society. The prosperity of the world is reliant on our trust in our government and good leaders. However, without mutual trust and respect, we are going to be drawn into frequent crises. The past actions of the government make me feel like the positive change needed will never be implemented. The documentary showed how those in charge during the 2008 Financial Crisis downplayed what was happening in the country and publicly said nothing would happen. However, a crisis was going on that eventually ended up in the foreclosure of many homes and devastations globally. The deceit in that situation makes me feel like I am powerless when it comes to knowing the truth and what society can anticipate in the future.

Before watching the documentary, I had no idea about the inaccuracies of risk rating firms in the country. I assumed that the most famous risk rating firms, such as Moody's, were accurate and a good way to base your investments. However, I found out that the risk rating firms get paid to give securities triple-A ratings. It was surprising when I found out that even after companies had collapsed, they still had good ratings. The falsity of risk rating completely changed my beliefs about the reliability of all financial institutions. It makes me believe that my role in society is one of no power, and I will not know what is occurring in my own country. I remember hearing during

the documentary that politicians will tell us that the crisis will not happen again and then continue to fight against the reform and regulation of the financial industry. I feel that I am in a position within my society of no power to make a positive change to avoid future crises.

Regarding my professional life, I feel concerned about the control I will have on my career. I am cautious when it comes to the work relationships I make. For me, I believe trusting your peers as well as your bosses is vital to workplace productivity and success. If the leaders of these financial institutions broadcast that the investments are profitable even though it is not a good investment, it makes it hard to trust your leaders. I will still approach my professional career optimistically, but these materials create a realistic portrayal of the power politicians have and their influence within the financial industry. These materials motivated me to educate myself as much as I can about how my experience will be in the industry.

3. Are there any parallels between the political landscape that brought on the financial crisis and our current political environment? What can be learned from the crisis to help us avert future crises, financial or otherwise?

There are parallels between the political landscape that brought on the 2008 Financial Crisis and our current political environment. As we continue as a society, we still have a lot of hostility and mistrust with the current Covid-19 pandemic. Feeling a sense of uncertainty toward our leadership can create an increased divide within America. After lost hopes and misguided speeches over the pandemic, it would make sense that the trust in our leaders shattered. This mistrust has continued due to different global events such as the 2008 Financial Crisis. The occurrence of bubble periods where there is a distrust between the government and the people creates a long-term divide. Starting from the Great Depression, there have been many periods of struggle within

our country created by misguiding politicians and people in positions of power. The main reason for the Great Depression was the trusts created by financial institutions. Notably, Goldman Sachs made a chain of borrowed money. They would move part of their holdings in one trust into another trust and repeat the process with their multiple trust corporations. After this crash, there was the technology stocks bubble about sixty-five years later. Goldman Sachs was one of the few financial institutions to survive this crash. The cause of this crash was the financial institutions creating excitement around IPOs that were not good. Financial institutions supported newly public companies and broadcasted that these companies would be great. The financial institutions supporting the companies resulted in them selling for millions of dollars. The financial institutions made these deals look better than they were. After the Great Depression had occurred, the underwriting guidelines had become firmer when it came to a company becoming public. However, those in power ignored the guidelines even though they knew to enforce them.

After the internet bubble, the 2008 Financial Crisis occurred. Similar to the other periods of crisis, the cause of the 2008 Financial Crisis was the financial institutions misleading information. Around the same time as the 2008 Financial Crisis, there was a \$4 a gallon bubble beginning. In 2008, gasoline prices had spiked to \$4.11. The government said that there was an oil supply issue. The real reason the gasoline prices increased was that the financial institutions made oil something to invest in.

I think that what our society can learn from these periods of crisis is that we need to be more educated about our investments and push for the increased regulation of financial institutions. I believe that increased regulations would not be a short-term change. The positive change would be a long-term goal because the government continues to turn down increased regulation. Since the government continuously makes unfulfilled promises and creates panic and loss within society,

there is something to be done by the people. As the government continues to get away with duping the world, they will continue to do it. The historical events alone prove that there has been a lot of misguidance and failure to create a trustworthy leadership. The global pandemic and controversy over our former President, Donald Trump, continued the divide within our society. There will continue to be a divide in society if there are not solutions put in place.

CASE VIII: 9/11 Case

Samantha LaBuda

Due Date: September 15, 2021

Executive Summary

In this case, I researched the terrorist attack that occurred on September 11, 2001, and the effects that the attack had on businesses. I talk about how the terrorist attack affected crisis management in businesses and how companies learned how to support their employees and effectively continue to run a company after. I talk about an article that spoke about the companies that were operating in the World Trade Center during the plane crashes and how that impacted their businesses. In addition, the article talked about how the companies operating in the World Trade Center during the attacks are doing now and how they have grown or evolved since the attacks. I talk about an article that speaks about how chief executives and directors of companies felt that 9/11 had changed their way of doing business. I also talked about the impact of 9/11 on the economy as well as the way that Lower Manhattan has reinvented itself after the attacks.

I learned a lot about the impact not only on the businesses that were affected by 9/11 but also the impact that the terrorist attack had on the people in those companies. Before this case, I was knowledgeable about the events that took place on September 11, 2001, but I did not know about the experiences of those involved or how their businesses changed after. I also learned about the impact that the attacks had on the economy and the monetary costs incurred from the attacks. I learned about how big of a cost was attributed to the attacks and what kind of costs were incurred. I also learned about what company leaders took from the 9/11 attacks and how they implemented a better crisis management system and employee services after. I had also learned that the TSA checks that happen in airports began after the 9/11 attacks. I also learned about the transformation of Lower Manhattan following the attacks and how it consisted of banks and financial services before the attack and evolved into a fun place for people to come with restaurants and stores. I have also learned about how the fear of flying from the attack caused an increase in car crashes.

This year marks the twentieth anniversary of the tragic terrorist attacks that happened on September 11, 2001. Twenty years ago, members of the Islamic extremist group, Al Qaeda, hijacked four United States airplanes to carry out suicide attacks. Two planes were flown into the twin towers of the World Trade Center, one plane hit the Pentagon, and a fourth crashed into a field. Once the terrorist attacks occurred, businesses were immediately affected. Hundreds of thousands of workers were out of jobs and billions of dollars were lost in wages. Crisis management became one of the main focuses of employers. According to the Harvard Business Review, many lessons can be learned that would be beneficial to businesses now in facing any crisis. One of the lessons is for managers and executives to be present and involved with their employees to encourage a sense of hope and unity. Another lesson that companies learned was to stay concentrated on their business as usual. Additionally, they learned it is important to have a plan in place in case of a crisis and be able to improvise when needed. All these lessons enabled businesses to evolve their crisis management skills and become better-prepared companies in case another crisis occurs.

The aftermath of the 9/11 attacks was devastating to those companies that were operating in the buildings that were attacked. A Forbes article, “9/11 Survivors and Thrivers,” talks about the evolution of companies that were operating in the World Trade Center during the attacks. A company by the name of Cantor Fitzgerald was located at the World Trade Center during the 9/11 attacks. The company lost 658 of its 960 employees that worked in their office at the World Trade Center. Their founder, Howard Lutnick, survived because he was dropping his son off at school when the planes crashed into the World Trade Center. Today, Cantor Fitzgerald has grown dramatically since 2001 and has become an even bigger company with twelve thousand employees and more than thirty international locations. Another company, by the name of Fred

Alger Management, which was also located in the World Trade Center, suffered many losses that day as well. The CEO of Fred Alger Management, David Alger, as well as thirty-five employees, died that day. Now, Dan Chung, Fred's son-in-law runs the company and has led the company to grow from sixteen billion dollars in assets to forty-seven billion in assets. Another company located in the World Trade Center during the attacks was Keefe, Bruyette, and Woods. They lost 67 out of 171 employees including their Co-CEO, Joseph Berry. Many years after 9/11 happened, the firm merged with Stifel Financial and has grown to have over three hundred employees and offices in ten cities. The current CEO of KBW was determined to continue and grow the firm after the disaster instead of letting the company be destroyed from the attacks. Another company, Marsh McLennan, suffered many losses, as well, on the day of the attacks. They lost over three hundred employees that day. Now, the company has almost 80,000 employees and brings in about 18 billion dollars in revenue. Lastly, a company named the May Davis Group lost one employee. Managing director, Owen May, shut down the doors to May Davis four years later. He was unable to deal with the aftermath of the tragic attacks, and now he works at his home focused on mentoring.

There were many ways that the business world changed after the 9/11 attacks. The way that businesses evolved, based on the opinion of those working during the attacks, was explored in a Forbes article called "16 Ways 9/11 Changed the Way We Do Business." In the opinion of Rich Carrigan, Chief Executive of United Displaycraft, the attacks created a more competitive atmosphere at the company. For Burton Goldfield, the President and Chief Executive of TriNet, the 9/11 attacks resulted in the evolution of employee assistance programs. The employee assistance programs have become more accessible and even had an option for critical incidence response designed for those who are having trouble after major events, like the 9/11 attacks.

Paul Jankowski, the owner of Access Brand Strategies, believes that the 9/11 attacks reminded them that doing well also means giving back to your community and making a difference. In response to the 9/11 attacks, there has been an increase in companies offering time off to employees to spend time outside of the office helping in the community. Martin Zwilling, Founder and Chief Executive of Startup Professionals, talked about how the disastrous attacks sparked internal soul searching for many. Many considered if their stable or high-paying job was enough or if chasing their dreams and following what they want is worth exploring. Gene Marks, President of the Marks Group, spoke about how the 9/11 attacks sparked the importance of keeping cash on hand. Whenever a crisis occurs for a company or a nation, the importance of keeping cash on hand is at the utmost importance so that people are still able to pay their bills and continue their lives the way it was before.

The Forbes article speaks about the way that businesses changed after the 9/11 attacks and the impact that the attacks had on workers' personal lives and priorities. Marc Compeau, Director of the Reh Center for Entrepreneurship, spoke on how tragic events can remind everyone of the importance of our family, friends, and the life that we live. After going through a traumatic event, people often think about their current priorities and what is important to them. If someone's priorities aren't consistent with what they would like their priorities to be, it can take a tragic event to shift a person's priorities to focus on what matters the most to them. Ultimately, many business leaders have shown that the tragic terrorist attacks that occurred on September 11, 2001, not only destroyed the lives of many but resulted in those who survived the attacks to start focusing and prioritizing the most important things to them as well as living a positive and grateful life.

Another impact of the 9/11 attacks is the impact it had on the economy. The state that the economy is in contributes to the state of businesses. A Washington Post article about “The Economic Impact of 9/11, in 10 Charts,” talks about the amount of impact 9/11 had on the economy. One of the findings was that the economic impact was short-lived and resolved itself over the years. One of the major economic changes of 9/11 was the increase in security services. The attacks created a stricter security service and led to the creation of the Transportation Security Administration. The increase of airport security and the creation of TSA checks in airports have become a very productive service that resulted from 9/11. Because the economic impact of 9/11 was short-lived, any long-term damage to the economy was not possible.

A yahoo finance article about “How 9/11 Affected the US Economy,” created a breakdown of the overall costs of the 9/11 attacks. One of the major costs was over fourteen billion dollars lost because of the destruction of the World Trade Center. Another cost of the 9/11 attacks was the cost that came from the companies that were in the World Trade Center during the attacks. The World Trade Center housed over four hundred businesses, including some of the most well-known financial companies. The costs of these losses and the companies having to find new locations to work from caused over 22 billion in losses. An additional cost was the cost incurred due to the loss of lives. The cost of losing lives was around 24 billion dollars. There was also a cost to rebuild the buildings that were destroyed in the attacks. The total cost to rebuild was over 22 billion dollars. The cost of the physical damage from the attacks was a little over 62 billion dollars. There was a cost to the airline industry because of the fear that resulted from the 9/11 attacks. There was also an increase in the cost of car accident deaths because of the fear of flying that was created after the 9/11 attacks. The airline industry lost over 74 billion dollars as a result. The fear that was created because of the 9/11 attacks had created a need for increased security so that people would feel

comfortable flying again. There were a lot of other costs including the costs of adding security to airports, the cost of increased security time, a cost to the tourism industry, and many more. Overall, the costs of the 9/11 attacks had a major influence on businesses, and companies suffered major losses as a result.

When it comes to the current state of businesses after 9/11, many businesses have reinvented themselves with new locations and the growth of their employees as well as company locations. Just as the companies affected by 9/11 spent time reinventing themselves, Wall Street also reinvented itself after the 9/11 attacks. The article by NPR called “Wall Street Was Once the Home of the Big Banks. 9/11 Led to a Radical Reinvention,” talked about what that reinvention entailed. Many people questioned whether having the majority of well-known financial companies and banks located in one area would be a good or bad idea. Lower Manhattan was reinvented from a place filled with financial institutions to a place where people can eat at restaurants and shop at their favorite stores. Wall Street has also seen a diversification of companies. There are not only financial institutions making up most of Wall Street. There has been an emergence of new businesses in the media and advertising fields.

When discussing the ramifications of 9/11 on businesses then and today, it is important to focus on the big changes that this attack has caused. The attacks have led to the creation of a better crisis management system and better employee assistance programs. There has been an increase in airport security which has reduced the public’s fear of flying and allowed airports to be safer than ever. It has led Wall Street to welcome new businesses outside of just financial institutions. The attacks have allowed for changes to be made in companies so that they are more prepared and better able to improvise when any crisis occurs. In conclusion, the 9/11 attacks

have been very impactful on the business industry and have changed the way that businesses will function from now on.

CASE IX: Design Your Life Case - Dallas

Samantha LaBuda

Due Date: 10/06/2021

Executive Summary

Since I am from Dallas, Texas, I already know a lot about what it is like living there, but I gained a lot more knowledge of Dallas than I had already known before. In this case, we researched a lot about Dallas, Texas, and what it would be like to live there. I researched a lot about the topography and the geologic features of Dallas. I already know about the climate and temperature changes throughout the year, but I learned about the official climate classification of the area. The climate in Dallas is humid subtropical. I also studied about the prevalent industries in Dallas and the five largest corporate headquarters. I learned about some of the transportation hubs in Dallas that I had not heard of before this case. I learned about the Denton County Transportation Authority and the Trinity Railway Express. I also gained knowledge about some charitable organizations that I had not been to before. I read about the crime statistics of the Dallas area. I found out that Dallas is the thirteenth best city in the country for healthcare.

I found some schools ranked highly in Dallas besides the high school that I attended. I also researched different living options in Dallas if I decided to move out of my parent's house and live by myself. I learned about three apartment options that I could rent in Dallas. I also studied the conveniences of living at one of the apartments in Dallas. The conveniences include grocery shopping nearby, the proximity to Dallas Love Field Airport, restaurants nearby like Whataburger and Raising Canes, and the proximity to the accounting firms. I also learned about the tax rates within the city. We came up with a realistic budget for living in Dallas. I am still excited about this city because I love living there, and all that I have learned throughout this case that I did not know before still makes me love the city. I still plan to work there and be there for my internship. I have not had a change of heart, and I still want to be there because my family is there, and I love living in Dallas.

- 1. Describe the city's topography, scenery, and other geographic or geological features of the area in which the city is located. Include pictures where appropriate.**

Topography: Dallas and its surrounding area are mostly flat

Geological features: Mostly flat; heavy Blackland soils; sandy clays in west; drains to Trinity River.

Geographic features: Southern United States, in North Texas

- 2. Describe the climate and seasonal fluctuations. Are you accustomed to living in this weather? If not, describe some of the challenges from this climate.**

The climate is humid subtropical. Summers are hot and muggy, and winters are cold and windy. It is partly cloudy year-round. Samantha, Kennedy, John Michael, and Winn are accustomed to this weather.

- 3. What are the city's most prevalent industries? What are the city's five largest corporate headquarters?**

The most prevalent industries are technology, financial services, and defense. The five largest corporate headquarters are Walmart, American Airlines, Dallas ISD, Texas Health Resources, and Baylor Scott and White.

- 4. What transportation hubs are in the city?**

Transportation hubs that are in the city are Dallas Area Rapid Transit (DART); Dallas Streetcar; McKinney Avenue Trolley (MATA); Trinity Railway Express (TRE); Denton County Transportation Authority (DCTA).

5. What are the modes of traveling back to your hometown from this city? What is the average cost you'd incur for each trip back home? How long will it take to reach your home?

Driving ourselves:

Samantha would have to drive thirty minutes to get back to her home. Kennedy would have a six-hour, 407-mile drive back to Jackson, MS. Winn would have a six-hour, forty-seven minute, 447-mile drive back to Jonesboro, AR. John Michael would have a ten-hour, 664-mile drive back to Nashville, TN.

Flying (Based on information from Expedia):

Kennedy would fly about one hour and twenty-five minutes back to Jackson. Winn would initially have a one hour and twenty-minute flight to Memphis and then drive one hour and seven minutes (seventy miles) back to Jonesboro. John Michael would fly one hour and forty minutes back to Nashville.

Expenses for driving – assuming each car gets 22 mpg at \$3.00 a gallon:

Samantha would pay around three dollars and fifty cents to drive back to Allen. Kennedy would pay around fifty-five dollars for the gas needed to drive to Jackson. Winn would pay around sixty-one dollars for the gas needed to drive to Jonesboro. John Michael would pay around ninety dollars and fifty cents for the gas needed to drive to Nashville.

Expenses for flying – Based on information from Expedia:

A non-stop ticket for Kennedy would range from \$248-\$406. A non-stop ticket for Winn would range from \$234-\$253. A non-stop ticket for John Michael would range from \$280-\$286.

6. What is the typical mode of commuting? What are your likely commute times?

Driving to work will be our commute of choice. It is around a fifteen-minute drive to the office buildings. Parking is in the HALL Arts parking garage. There is a parking fee that is required.

7. Name at least three civic, religious, or charitable organizations you would like to be active in.

The Watermark Community Church, the North Texas Food Bank, and the Dallas Animal Services. The Watermark Community Church is a relatively new church in the Dallas area. It gives the opportunity to join a good community. The North Texas Food Bank is an organization that has a goal of closing the hunger gap in North Texas. The Dallas Animal Services is a municipal animal shelter in Dallas that provides safety for dogs and cats. Anyone can volunteer time to walk, feed, or play with the animals at the shelter.

8. What are the sports, entertainment, or recreational activities that you would be most likely to engage within the city? Name at least five activities.

There is the Dallas Cowboys, the Dallas World Aquarium, Klyde Warren Park, Reunion Tower, Bishop Arts District, and White Rock Lake Park.

9. What type of crime are common within the city and where are the locations within the city to avoid?

The violent crime rate in Dallas is one of the highest in the nation. The crime index is six which means that it is safer than six percent of the cities in the United States. The chance of becoming a victim of violent crime in the city of Dallas is one in one hundred and fourteen. Dallas crimes per square miles is one hundred and fifty and crimes per square mile in Texas overall is twenty-eight.

10. Describe the quality of the city's healthcare. Describe the quality of the city's school districts (K-12). Would your future children attend public or private school? If private, what is the typical annual tuition per child?

Dallas is the thirteenth best city in the country for healthcare and seventy fourth in the world for overall healthcare, however, its quality has a lower rating. It is ranked eleventh for its infrastructure for healthcare. In the rankings, it has the second fewest mental health providers. The first on the list of the best school-districts in Dallas is the Highland Park Independent School District. The group decided that we would send our kids to private school.

11. Based on where you see yourself living for the first three years, how much rent do you expect to pay? Back up this assertion with sample properties (including pictures). Describe the square footage, amenities, need for a roommate, availability of parking, etc.

The group would prefer to live in a one-bedroom apartment. This would eliminate the need for a roommate. The median rent for a one-bedroom apartment in Dallas is \$1,109. However, cheaper rent often is accompanied with more inconveniences.

The Chelsea on Southern - \$1,325 p/m

726 SQ FT

LOCATION: 5858 SOUTHERN BLVD

- Fitness center
- Gated entry
- Parking lot
- Elevator
- Onsite management
- Package services
- Pet area
- Shared laundry
- Swimming pool



Information:
<https://www.zillow.com/b/the-chelsea-on-southern-dallas-tx-5XkKH/>

Renderings are intended only as a general reference. Features, materials, finishes and layout of unit may be different than shown.

15

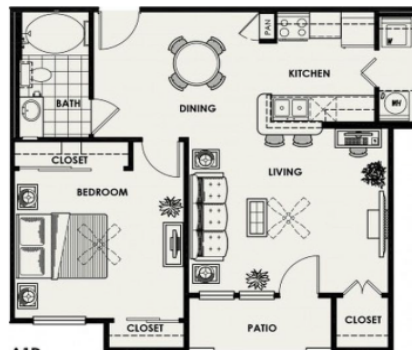
The Link on Maple - \$1,410 p/m

748 SQ FT

LOCATION: 5219 MAPLE AVE

Information from:
<https://www.zillow.com/b/the-link-on-maple-dallas-tx-5XjvYf/#>

- Cable TV ready
- Dishwasher
- Garbage disposal
- High-speed internet ready
- Microwave oven
- Refrigerator
- Washer/dryer
- Air conditioning
- Ceiling fan
- Patio/balcony
- Parking



A1D
One Bedroom
One Bath
748 SF

16

Broadstone Knox District - \$1,830 p/m

510 SQ FT

LOCATION: 4444 COLE AVE

Information
from: <https://www.zillow.com/b/broadstone-knox-district-dallas-tx-Btz7t9/#>

- Lounge
- Parking lot
- Pet washing station
- Barbecue
- Bicycle storage
- Pet area
- Valet trash

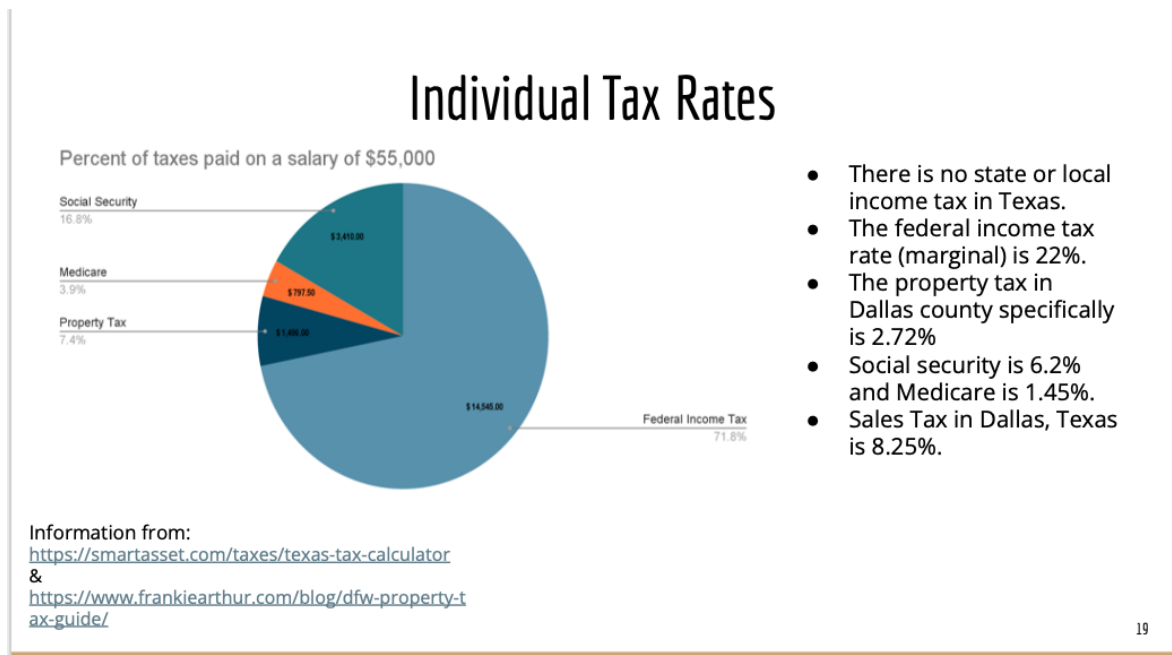


17

12. Describe everyday conveniences (or inconveniences). For example, where will you do your grocery shopping? How will you do your laundry? Is your location pet friendly and how much will you need to spend on daycare/boarding for your pets?

Some conveniences are that there is grocery shopping at Kroger two and a half miles away, it is a seven-minute drive to Dallas Love Field Airport, a five-minute drive to Raising Cane's, a six-minute drive to Whataburger, adjacent to the DART, and all the big four firms are about a fifteen-minute drive away. Some of the inconveniences are flying out of DFW is around a thirty-minute drive; rural activities cannot easily be accomplished such as: hunting, fishing, or shooting; the city has a massive amount of traffic; gas is expensive; and parking around downtown requires payment.

13. What are the individual tax rates within the city (e.g., consider federal, state, and local income tax, property tax, and any other taxes you'd be likely to pay. Quantify what this means based on a starting salary or approximately \$55,000/year)?



14. Based on your findings, develop a detailed monthly operating budget for living in your city, assuming that with bonuses for being a high performer, your annual salary is \$60,000 before taxes. Make sure to include all cash outflows including taxes, loan repayments, insurance premiums, savings, and all your anticipated expenditures during the month. Be as detailed as possible. Keep re-working the budget until you have developed a solution you can happily live with.

Monthly Operating Budget

- Working with \$5,000 monthly gross income (Based off of \$60,000 salary)
- Breakdown
 - Unavoidable Costs
 - Fun Money
 - Investments
 - Other Expenses

20

Unavoidable Costs

- Taxes
 - Federal Income: \$516
 - Social Security: \$310
 - Medicare: \$72
 - Total: \$898
- Rent: \$1410
- Loan Repayment: \$393
- Total Unavoidable Costs : \$2701

21

Fun Money

- Dining: \$500
- Recreation: \$200
- Night Life: \$100
- Total: \$800

22

Investments

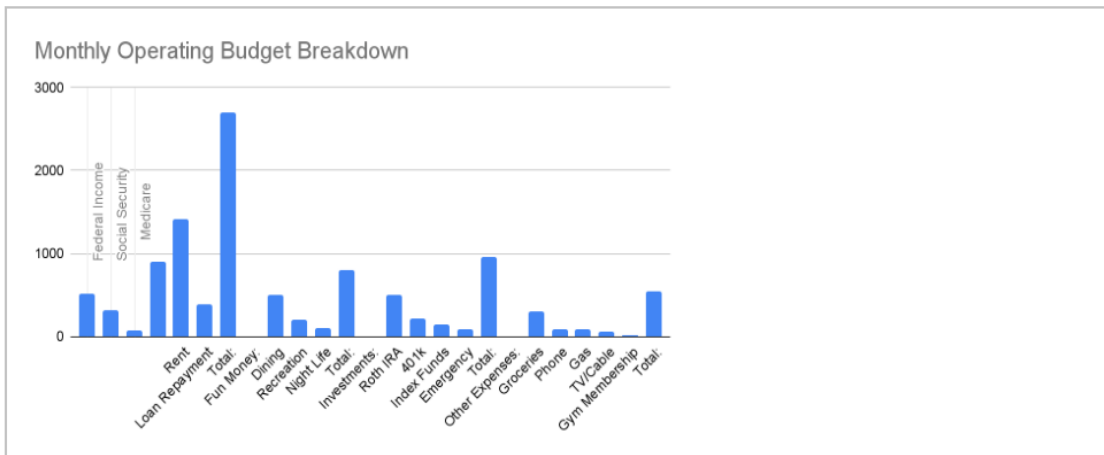
- Roth IRA: \$500
- 401k: \$214
- Index Funds: \$150
- Emergency Savings: \$90
- Total: \$954

23

Other Expenses

- Groceries: \$300
- Phone: \$85
- Gas: \$80
- TV/Cable: \$60
- Gym Membership: \$20
- Total: \$545

Chart



CASE X: Covid Case

Samantha LaBuda

Due Date: November 3, 2021

Executive Summary

In this case, I researched a lot about the Covid-19 Pandemic and the vaccines. I looked at what Operation Warp Speed is and what the goal of that operation is. I also looked at what their plan was and who funds the operation. I looked at what happened to Moderna's financials after the development of the Covid vaccine. I looked at articles about how companies in the pharmaceutical industry have influenced the debate of the Covid vaccine versus the treatments for Covid like the antibody treatments available. I also looked at the transformation of President Joe Biden and his administration's opinions over the time of the pandemic. I talked about why that transformation occurred. I also talked about the negative effects of the Covid vaccines and if I believe that the numbers that are given are under-or over-reported. I went in-depth about why the numbers could be over-reported or why they could be under-reported.

In this case, I learned a lot about the Covid vaccine development and Joe Biden's opinions throughout the pandemic. I learned about what Operation Warp Speed is. Before this case, I did not know what the operation was or what it was all about. I got the chance to dive into Moderna's financial statements and make comparisons across the years. I also got to figure out what those changes were caused by. I looked at financial statements from 2018 to 2020 and looked at some 2021 numbers. I also investigated the pharmaceutical industry and their investment in the success of Covid vaccines as well as their influence in the debate. The thing I was most interested in was the development of President Joe Biden's opinion from December 2020 to September 9, 2021. It shifted completely which exemplified the progress of the pandemic and the mentality shift that occurred. I researched the CDC's information on the side effects of the Covid vaccines and the rareness of the effects. I also found out about the real numbers and figures behind the deaths that are because of the Covid vaccine.

1. Describe Operation Warp Speed

According to the U.S. Department of Health and Human Services, Operation Warp Speed had a goal to deliver three hundred million doses of COVID-19 vaccines by January 2021. Operation Warp Speed partnered with components of the U.S. Department of Health and Human Services such as the CDC, FDA, and the NIH. The main plan was to speed up the development of COVID-19 vaccines while still maintaining the utmost level of safety and a high level of productivity. Their plan of accomplishing their goal was to invest in and allow for vaccines to be given out efficiently while keeping safety and the actual efficacy of the vaccine in mind. They are also making sure that vaccines are available to people at an affordable price, so people can get them no matter their financial situation. Congress has given a little under ten billion dollars to this operation.

2. What have been the financial implications of the COVID vaccine development of Moderna? Please investigate both their financial statements and the popular financial press.

The net income of Moderna has decreased by 45.34 percent in 2020. Its sales growth was 1234.34 percent in 2020. Their assets have increased significantly as well as its debt and its liabilities in comparison to past years. Its shareholder's equity has also increased a good amount in 2020. Its research and development costs also increased significantly in 2020. All these changes and increases in value are due to the recent COVID-19 pandemic and Moderna's development of a Covid vaccine that has been distributed internationally. The numerical comparisons between 2019 and 2020 in the categories that I listed above give more detail. Total revenue increased substantially in comparison to the last three years. In 2020, the revenue was

803.295 million dollars. In 2019, the revenue was 60.209 million dollars. In 2018 the revenue was 135.068 million dollars. You can see through this comparison the substantial increase in revenues in 2020. This revenue increase is due to the distribution of its Covid vaccine. The total assets of Moderna have also increased substantially in 2020 in comparison to past years. In 2020, the total assets that Moderna had were 7336.750 million dollars' worth. In 2019, the total assets were 1589.422 million dollars' worth. In 2018, the total assets were 1962.149 million dollars' worth. In comparison, the increase in debt was not as big of a jump. In 2020, the total debt was 207.295 million dollars. In 2019, the total debt was 132.364 million dollars. In 2018, the total debt was 33.489 million dollars. Especially with the increases in research and development costs, you can see the financial implications that the development and distribution of the Moderna Covid vaccine had on its financials. In an article that was comparing 2021 quarters to 2020 quarters of its financial statements, the revenue of the second quarter of 2021 was 4.4 billion dollars which is a very significant increase in comparison to 67-million-dollar revenue in the second quarter of 2020. It also talks about the significant research that Moderna is investing in not only for its Covid vaccine but also for other vaccines that they have created. The article talks about the difference between the net income in quarter two of 2021 versus the same quarter in 2020. It was another significant increase from a 117-million-dollar loss in 2020 quarter two to a 2.8-billion-dollar net income in 2021. There was also another significant increase in the research and development expenses in 2021 quarter two. In quarter two of 2020, the expenses were 152 million dollars in comparison to 421 million dollars spent in quarter two of 2021. The main increase in these expenses is due largely to the Covid vaccine development but also because of Moderna's clinical trials for their other vaccines.

3. How specifically has the pharmaceutical industry tried to influence the debate on COVID treatments (therapeutics) versus vaccines?

The pharmaceutical industry has invested a lot into researching and working to stop the Covid pandemic. They are equipped with knowledge from previous viruses which enable them to evaluate and offer their knowledge about the best way to end the pandemic. Different companies in the pharmaceutical industry have more investment in certain treatments because they created them. For example, Johnson & Johnson, Pfizer and BioNTech, and Moderna have Covid vaccines that are currently being distributed. Their expertise would be to get the vaccine. To combat the misconceptions about the vaccines or therapeutic treatments, there is so much written by those in the industry providing convincing and supporting data that backs up the vaccine and gives an example of the efficacy. The pharmaceutical industry had low public approval which improved after their development and distribution of the Covid vaccines. Forbes came out with an article about how the Covid vaccine injected billions of dollars into big pharma. Congress gave around ten billion dollars to pharmaceutical companies for the development of vaccines which allowed them to create safe vaccines. They have given so much encouragement to get the Covid vaccine. Executives of the pharmaceutical companies especially saw the profit from the Covid vaccines. In a CNBC article, a lobbying group that was made up of many top pharmaceutical companies launched a campaign against Joe Biden regarding waiving intellectual property protections. The pharmaceutical industry has tried to influence the debate on Covid treatments versus the vaccine by speaking out in support of the vaccine and launching campaigns to get the vaccine distributed more, as well as outwardly telling the public that the best decision in combatting the pandemic is by getting the vaccine.

4. Describe the Biden administration's stance on COVID vaccine mandates during the following time periods: a) December 2020; b) July 2021; and c) September 9, 2021.

How and why has the president's stance changed over this period?

According to Business Insider, President Joe Biden in December 2020 said that he would not make getting the Covid vaccine mandatory. He felt like he did not need to make the vaccine mandatory, but it would be enough to encourage people to do what is right. However, his opinion changed in July 2021 when he announced that he would be making it a requirement that all federal employees and contractors be vaccinated against Covid, or they must submit to being tested for Covid regularly. He made a comment that he was considering making vaccines required through a mandate. On September 9, 2021, he announced an entirely new plan to attack the Covid-19 pandemic. He said that the Department of Labor is developing an emergency rule that requires all employers with one hundred or more employees, that together employ over 80 million workers, to ensure that every person in the workforce is fully vaccinated or submits to regular weekly testing and has a negative result. He also said that all nursing home staff who treat patients on Medicare and Medicaid will be required to be fully vaccinated as well. He said that all the people that work in hospitals, home healthcare facilities, or other medical facilities will also be required to be vaccinated. He signed an executive order that will require all executive branch federal employees and contractors to be fully vaccinated. In addition, he announced that people will get paid time off to get vaccinated. President Joe Biden and his administration have changed their opinions throughout the time that Covid has existed. His opinion shifted from there being no vaccine mandate to creating a vaccine mandate just for employers with one hundred or more employees to a very big number of people (notably those in

healthcare) to be required vaccination. I believe at the beginning of the pandemic there was optimism that people would be open and excited to protect

5. What negative effects have resulted in individuals who have taken the COVID vaccines? Do you think these figures are over-or under-reported and why?

I got my information about the side effects of the Covid vaccine from the CDC because they offer, in my opinion, the most accurate information you can find. According to the CDC, there are adverse events that have occurred, but they are extremely rare and should not discourage people from getting the Covid vaccine. They said that there are cases of anaphylaxis after the vaccine, but it is rare. They said that thrombosis with thrombocytopenia syndrome is rare after Johnson & Johnson's Janssen Covid vaccine. There are also reports of myocarditis and pericarditis after Covid vaccination, but it is rare. There are reports of death following the Covid vaccine. The CDC says that more than 423 million doses have been administered in the United States and they have received reports of 9,367 deaths after vaccination. This may seem like a big number but that is only 0.0022 percent of the people that have been given the vaccine. I would like to think that the figures are accurate since they are the numbers that people use to decide whether to get the vaccine. However, some articles that state the numbers in a way that I believe is under-reported to continue the distribution of Covid vaccines. If there were high numbers of deaths and reactions in response to the Covid vaccine, then no one would feel comfortable or want to get it. I think that some numbers are under-reported. I also believe that some people over-report the numbers to scare people into not getting the vaccine. I think that the CDC's data is accurate and neither over- nor under-reported. In other articles, I believe the numbers are under-or over-reported depending on their stance on the vaccine and what fits their narrative.

CASE XI: Interview Case 2 – Important Researchers

Samantha LaBuda

Due Date: 11/19/2021

1. Tell me about your life growing up before you started college or your career.

John lived a sheltered life. His community was small and tight-knit. In the neighborhood he was raised in, everybody knew everyone else. His family lived down the street from the Catholic Church and the Catholic grade school he attended alongside his brothers and sister. Almost everyone he knew went to the same grade school. John went to Catholic high school with most of the people who went to his grade school. He has three brothers and two sisters. In his neighborhood growing up, they were considered a medium-size family. Some families had ten or twelve kids, while some families only had two kids.

2. What were your college years (if applicable) like?

When John went to college, he started to live an unsheltered life. This was something that John had not experienced before college. It took John a while to go through college due to the struggles he faced. He went to college for two years as a full-time student. After his second year of college, his father passed away. The passing of his father was very hard for John and led to it taking almost seven years and a lot of night classes for him to complete his college degree. Outside of class, he worked at his campus newspaper to try out journalism. He realized that journalism was not a career he wanted to pursue because journalists were always on call, and he did not want a job like that. He took some computer programming classes and some classes in business administration. He dropped out from being a full-time student after his father passed away, and he started going part-time. He later went to night classes to complete his degree. He said he did not have a typical college experience because his campus life was all about his schoolwork.

3. How did you decide to pursue this field of study?

When he was younger, John always thought he was going to be an actor or a priest. He went into college being a theatre major. His father disagreed with his decision and did not think that was a viable career choice. John began taking theatre classes and talking to people who graduated from the theatre program. The people who graduated told him about how they moved to New York and struggled to find jobs. They had to wait tables to pay their bills. These eye-opening conversations resulted in John changing his major. He pursued a degree in communications and a minor in business administration. John spoke to his advisor about the fastest way to graduate. John had the most credits to fulfill a communications degree at the time, so he decided that he would try out communications. He realized that a communications degree was not going to get him anywhere. Therefore, John went back to graduate school for four years. During graduate school, he met his wife, Gina Spears, and had one kid and another on the way.

4. Walk me through your first job to where you are now. What important things did you learn at each position along the way?

John worked many jobs to pay his bills when he was finishing college after his father passed away. He worked as a bank teller, he worked in the personnel office of an engineering firm, paid insurance claims, and, at one point, he started a business. The company John started was teaching people how to use home computers which had just come out at the time. After starting his own business, he learned that he did not like being self-employed and enjoyed steady paychecks. John's first full-time job was when he worked as a trainer and support technician for a company that sold office automation equipment. This job was with a company called Resource Data Systems in South Ville, Michigan. At this job, he learned how to deal with people at

different levels of experience than he was. He experienced what a bad manager was like at this job. Through connections from this job, he landed his next job. He started at the company and learned the concept of “fake it ‘till you make it.” At the beginning of this job, John did not know anything about the technology and studied until he did understand the technology and could go further. In a few years, he was one of the top people in the area. He also learned perseverance and “playing the long game.” He started at this company in 1990 and worked there until it got bought out by another company in 1994. He stayed at the new company for six years until the new company got bought out by another company. He worked at the new company for almost sixteen years. He learned to adapt and find new things to do throughout the changes in ownership.

5. What has been your most challenging and difficult hurdle so far?

John said that something that has always been challenging for him is his time management. He says that he must work hard at it. His mind is constantly racing, so John must build schedules for himself, focus on work, and prioritize doing the big important things first. Another thing that he struggles with is imposter syndrome. His struggle with imposter syndrome leads him to overwork and overcompensate. His behavior is caused by John feeling as if he is not good enough to belong at his job. John says that he constantly must check himself to make sure that he recognizes how good he is at his work. John spoke to me about what imposter syndrome is and how that affects him on a day-to-day basis. Imposter syndrome and time management are two things that John says he has always worked to overcome. John talked about how he spends extra time and makes more of an effort to ensure that he completes everything that he needs to in a timely manner and to stay on task.

6. What has your life been like outside of your work?

He has had a blessed and good life. He says he has had challenges in his life like everyone else. When he was single, he said he lived somewhat of a distracted life. His life changed when he met his future wife and ended up marrying her. They raised three kids together. He said they had struggled financially, emotionally, and parentally along the way, but overall, they led a good life. He said earlier on in his career he focused too much on his work. He took steps to correct that so that he could be involved in his children's lives. When he lived in Michigan, he worked all the time, and his job took him away from spending time with his kids. When he was offered a job in Texas that offered him a more flexible schedule, he took it to spend more time with his family. Our family is very close and tries to make time to spend together even with our busy schedules.

7. What do you wish you would have known when you were 21 years old about life and your career? What piece of advice would you share with me and my classmates?

John wishes he had known when he was 21 years old that older people are not as stupid as he thought. He grew up in a time when it was a norm not to trust anyone over 30. John learned in time that these people knew a lot. He wishes he had more exposure to the outside world to get to know people in other cultures. Listening to people and their life experiences is something John did not do a lot. John wishes he would have done that more in his life and his career. The advice that he would share with me is to try and remember any advice that I get. He said that even if the advice did not seem important to me at the time, I should try and remember it because it will be useful at some point in my life. He told me about a parable he used at my grammy's funeral surrounding holding onto the advice people give you.

8. What are you most proud of?

John said that he is most proud of his family. He said that his wife, his three kids, and now his grandkids are what he is most proud of in his life.

9. What has been the best vacation you've ever taken? What is left on your bucket list?

The best vacation that John has ever taken is a tie between two trips. One of his favorite vacations was a cruise with his wife to the Mediterranean in 2017. He saw Pompeii and the places where they shot the Godfather movie that he loves. He said that cruising on a ship was very fun. He also loved that he got to see places he had only seen on the television or in magazines. The other vacation that he loved was when he went to an all-inclusive resort in Mexico with his wife. He loved it because they just got a chance to relax and do whatever they wanted to do. He said everything was paid for and they had an opportunity to relax and not worry about anything else. Some things on his bucket list are going to Australia, taking an Alaskan cruise to the Inner Passage, and going into outer space.

10. What do you think will be the biggest challenge for your generation?

John thinks that the biggest challenge for his generation is adapting to societal changes around multiculturalism, inclusion, and social norms. He says that his peer group learned that things were supposed to work a certain way, and now they must change how they view the world. They must adapt and know that things are not black and white. He brings up gender identities and how people in his generation have trouble wrapping their heads around those concepts. He said that these changes are changing the world as they knew it.

11. What will be the biggest challenge for my generation?

John thinks that the biggest challenge for my generation is going to be climate change. He says that the next ten to fifteen years will be critical. John believes that everyone will need to focus on sustainability, renewability, and cleaning up the environment. He says that unless my generation prioritizes climate change, we could end up in an unlivable situation.

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