

Health care ills

Will Henderson has some ideas on how to cure them

SOCIAL CAPITAL, 47



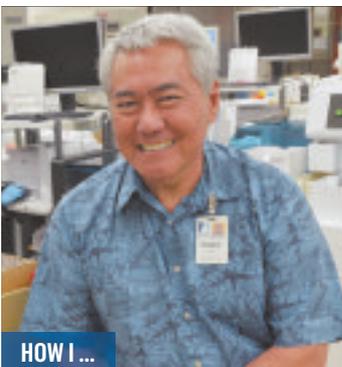
THE \$100 MILLION GIFT

How Jay Shidler's note on a cocktail napkin to UH Shidler College of Business Dean Vance Roley led to the biggest donation in UH history

LORIN ELENI GILL, 14



T H E L I S T S HOSPITALS 12 AIRLINES SERVING HAWAII 30



HOW I ...

HELP EMPLOYERS DETECT WORKPLACE DRUG USE 18

REPORTER HUBS

How one firm would gas us up

Texas company says it can provide Hawaii with cheap LNG.

DUANE SHIMOGAWA, 5

Selling sunny Hawaii in London

Outrigger promotes Paradise on London taxis.

JASON UBAY, 10

Getting a charge from auto sales

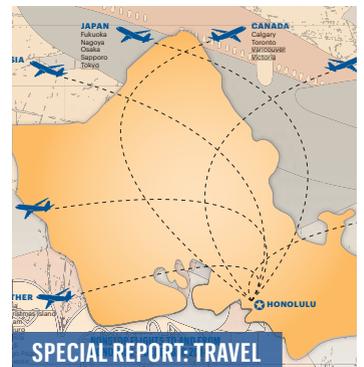
Boom in electric and hybrid sales means more charging stations.

BILL CRESENZO, 6

Talking story with Capt. Sully

"Miracle on the Hudson" pilot heads to Hawaii.

LORIN ELENI GILL, 11



SPECIAL REPORT: TRAVEL

AIRLINES ARE ADDING MORE SEATS TO HAWAII 28



6 89076 02609 3

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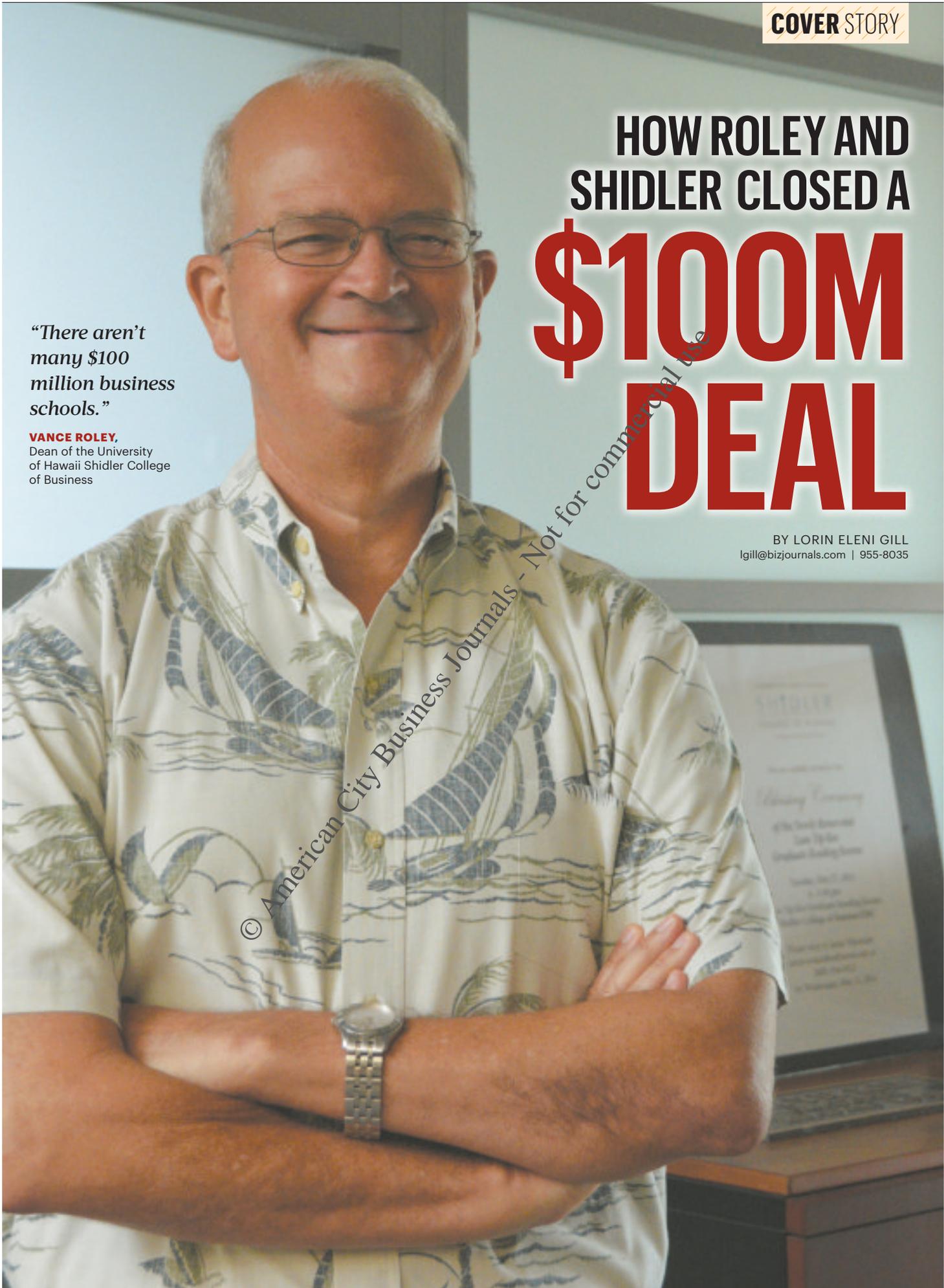
HOW ROLEY AND SHIDLER CLOSED A \$100M DEAL

“There aren’t many \$100 million business schools.”

VANCE ROLEY,
Dean of the University of Hawaii Shidler College of Business

BY LORIN ELENI GILL
lgill@bizjournals.com | 955-8035

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Vance Roley talks with undergraduate students Stephanie Ramirez, left, and Olivia Jeffs at the UH Shidler College of Business.

COLLEGE STARTS TO GAIN GLOBAL REPUTATION

The University of Hawaii Shidler College of Business international business program is ranked 18th in the nation, with Dartmouth College, according to U.S. News & World Report.

It is attracting more students from the Mainland and abroad. Twenty-two percent of Shidler's bachelor's in business administration candidates are from the Mainland, and 7 percent are international exchange students.

Statistics show that Shidler graduates tend to end up where they had hoped. Three of every four undergraduates land jobs in their majors, and 85 percent of the full-time MBA students find employment within three months of graduation.

About one-third of U.S. higher-education schools are accredited by AACSB International, and Shidler has been ranked in the top 25 percent of AACSB accredited schools, said Dean Vance Roley.

— Lorin Eleni Gill

Vance Roley knew he had something special when one of the richest men in Hawaii handed him a cocktail napkin with “\$100M” written on it, underscored twice.

The occasion was a holiday party in 2011 and, with the napkin tightly in hand, Roley, dean of the University of Hawaii College of Business, thought, “Wow, this might actually happen!”

Jay Shidler, who wrote the note, recalls the moment well.

“I remember exactly where we were standing and exactly what I did,” said Shidler, a UH alumnus and founder and managing partner of The Shidler Group. “It was subtle, but then again, subtleties are not lost on Vance Roley.”

The idea ultimately moved past the napkin stage. Shidler’s recent commitment of \$69 million to the UH Shidler College of Business brings his total investment to \$100 million, the largest gift by a single donor to the university.

Along with cash and marketable securities, the college that was named for him is receiving ownership interests, or leased fees, from land beneath multiple office buildings across the Mainland. This will create a steady cash flow for the school.

CLOSING THE DEAL

The question at hand, however, is how Roley, a self-described introvert, secured such a donation from one of the most influential players in Hawaii’s business scene.

“This has been a process,” Roley said. “In the first six months as dean, I was meeting with friends and alumni of the college, and Jay Shidler is one of the most successful alumni so I had an opportunity to meet with him. I told him what I thought the strengths of the college were, I told him how successful I thought we could be, and how well-positioned we could be. I also told him what I thought an investment needed to be in order for us to become a prominent business school in the U.S. I think he saw the vision, wanted the college to get better, and he believed the way

► SHIDLER COLLEGE ENROLLMENT



we could get there was viable.”

That initial conversation led to the first \$25 million donation from Shidler in the fall of 2006. Roley was still quite new to the job, and says he felt under pressure to perform and make sure that first investment produced concrete results. It led to a full-time MBA program at Manoa, an expansion of the Vietnam Executive MBA program, and endowment support for faculty. It helped launch a freshmen admissions program that made the college available to promising younger students rather than just juniors, and funded renovations to the campus buildings and landscape.

The initial gift also helped provide for the Pacific Asian Center for Entrepreneurship and a distance-learning or online executive MBA program that is geared toward the Neighbor Islands. The money has helped sustain many programs that were scheduled to expire, Roley said. The additional \$6 million that Shidler donated between 2006 and this year went toward renovating facilities and improving the school’s environment with landscaping.

SHOWING RESULTS

Roley knew that large donors often return once they’ve seen the progress that comes from their gifts. He later went back to Shidler with another pitch for the university.

“I think our reputation is still not as good as what we actually are, and I’m trying to think of how we could get our reputation to reflect our true quality,” Roley remembers telling Shidler. “This would be an incredible thing if we could be a \$100 million school. There aren’t many \$100 million business schools.”

The official \$100 million commitment came last month, shortly after the college reached its highest undergraduate enrollment – 1,081 students. While some other UH programs have seen a decline in enrollment, Shidler had the highest student body growth for the 2014-2015 academic year.

For example, the Freshmen Direct Admit Program has more than doubled to 69 freshmen this year, up from 29 in the 2012-2013 school year. The highly competitive program admits promising freshmen with high GPAs and SAT or ACT scores who want to get a head start on a business curriculum.

The school’s stature has risen as well, and Roley attributes some of its growth to its focus on international business in Asia. The global economy has shifted toward Asia, and the university is in the perfect spot to take advantage of that, he said.

In fact, the college’s Asia focus and its position in the middle of the Pacific is one of the reasons he took the job.

“I thought the University of Hawaii College of Business had a lot of potential,” said Roley, who was born in California and raised in Vancouver, Washington. “I thought [the Asia focus] was strategic, and the time was right.”

A graduate of the University of California, Berkeley, Roley earned his master’s degree and PhD in economics at Harvard University.

“I’m not an East Coast person, but I knew it would be good for me,” he said about going to Harvard. “I always hoped to go back West.”

Following graduation, Roley was a senior staff economist for the President’s Council of Economic

COVER STORY

“Only a handful of top public universities across the globe have received gifts of this magnitude from their alumni. This phenomenal gift commitment now puts UH in that league.”

DONNA VUCHINICH,
UH Foundation President

The UH business school is gaining students, financial support and prestige under Dean Vance Roley's leadership.

\$100 MILLION IS A START

Jay Shidler's \$100 million investment in the business school that bears his name is not intended to replace state funding, but to supplement it and encourage other donors to step forward, Dean Vance Roley says.

Some matching funds already have been raised, inspired by Shidler, who built his fortune in real estate and founded more than 20 companies, five of which have been listed on the New York Stock Exchange.

The number of endowed professorships and chairs at the business school has increased to 31 from six in 2005, Roley said, fueled by donations from Shidler and others.

“This particular gift was created using sophisticated financial mechanisms,” said Donna Vuchinich, president of the UH Foundation. “Now that we have shown donors we can successfully broker complicated, unique gift opportunities, other major donors may consider leveraging their resources to benefit UH.”

The college recently awarded \$1 million in scholarships, and Roley is shooting to offer more soon. Since 2005, scholarship awards have grown by 60 percent, to 258 from 161, and, on average, 17 percent of Shidler students receive merit scholarship support.

— Lorin Eleni Gill

TINA YUEN

CONTINUED FROM PAGE 15

Advisers and economist at the Federal Reserve Bank in Kansas City before returning to the West, where he was a professor and acting dean of the University of Washington's School of Business before coming to Hawaii in 2005 to become dean of the UH business school.

BROADENING THE ASIA FOCUS

Under his leadership, the UH school has enhanced its Asia-Pacific focus by providing full-time global MBA students with a Japan, China, or Vietnam study track, complete with partner schools and professional internships. Students can choose where to study abroad, and approximately one out of 10 Shidler students participate in study-abroad opportunities — including semesters abroad, international business competitions, internships and conferences — the most of any college at UH Manoa.

Shidler has the largest alumni chapter at UH, and graduates often connect students with internships abroad, Roley said. Many of the approximately 30,000 alumni around the world are eager to help students find internships. Roley, for example, traveled to Hong Kong this month for the third time in six weeks, this time for an alumni meeting.

Business school alumni praise Roley's vision and performance. Kent Tsukamoto, managing partner at Accuity and a Shidler alumnus, calls Roley a thoughtful listener who is effective at getting things done.

“Upon his arrival at UH, he had a vision of the programs and facilities he wanted to build,” Tsukamoto said. “He shared and articulated these visions with all stakeholders, then enlisted their

▶ THREE QUESTIONS WITH UH FOUNDATION PRESIDENT DONNA VUCHINICH**How will the UH Foundation handle Jay Shidler's \$100 million investment?**

We are not getting a lump sum of \$100 million. He is committing to donate over his lifetime and through his estate [an additional \$69 million to his previous gifts] for the continued benefit of the college to support students, faculty and programs of the college.

Is there any possibility that this money will go to other schools, in light of the budget crisis at UH?

No. Donors decide where and how their gifts are used — 99 percent of gifts to UH are donor designated. Jay Shidler has made the gift in support of the Shidler College of Business and that is the only college it will benefit while



Donna Vuchinich

adding value for UH overall.

How will this donation lift the rest of the campus?

Only a handful of top public universities across the globe have received gifts of this magnitude from their alumni. This phenomenal gift commitment now puts UH in that league. This is something all of us in Hawaii, as well as our alumni around the world, can be very proud of. Gifts like this major investment from Jay inspire other donors to make major investments in other units. When they see the very real impact his giving over the years has made so far, they are excited and want to see their giving make that kind of impact for students and programs.

— Lorin Eleni Gill

support to make them a reality. Vance genuinely cares about his students, faculty, alumni, donors and constituents, and it shows. His quiet, calm demeanor complements his competitive nature.”

Roley said he felt under more pressure after the first Shidler gift than the most recent one. He now feels more at ease because the college has built a track record, and he is confident and excited to see the school grow.

“I believe we can be in the top 25 public business schools in the U.S.,” he said.

Shidler agrees.

“I've seen Dean Roley meticulously and methodically address and improve three key aspects of the college — faculty, students, and reputation,” he said. “He's grown faculty endowments to be competitive in recruiting world-class profes-

sors and faculty, he's grown scholarship endowments to help attract more top students, and he's grown the overall reputation of the college. It has exceeded all of my expectations.”

The dramatic gift comes in sharp contrast to the belt tightening that has been taking place across the Manoa campus. The university has hiked tuition in recent years and is cutting expenditures to try to balance its books. It reportedly is facing a \$31 million shortfall, with cuts in state support, declining enrollment and increasing faculty salaries and energy costs.

Roley credits the entire team at the business school for winning Shidler's confidence.

“It's not just me, it's everyone,” he said. “The reason he invested [in the college] is because of the faculty and staff and alumni. It's not me.”