

DR. KAREN SPOHN TEACHES “JYS: SOCIALLY RESPONSIBLE INVESTING”

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“When they graduate and get jobs, they’ll know how to pick mutual funds for retirement investing and may choose socially responsible funds.”

—Dr. Karen Spohn, Associate Professor

Summary: This course introduces students to the topic of socially responsible investing (SRI) through readings, research, and use of a portfolio simulation package. Students examine current and historical aspects of SRI and learn about subcategories such as faith-based investing and corporate social responsibility.

Required text: Instead of a textbook, students use information from Value Line and Morningstar, as well as tools on stocktrak.com. They also read selected articles on socially responsible investing.

In class: “It’s a project-driven class,” says Spohn. “On the first day, students take a survey about themselves to determine their investment style.” Once students know whether they are risk-takers or more conservative, they develop lifestyle plans. Next, each student uses \$500,000 hypothetical dollars to create a portfolio of 12 to 20 mutual funds. “At that point, many students have not had any experience or courses in investing since many are not business majors,” Spohn says.

Through the class, students learn about mutual funds and financial performance. “They get a better understanding of how to pick funds,” Spohn says. “As a result, students change their portfolios—they drop some funds and add others.” Once students grasp the financial piece, Spohn introduces socially responsible investing. Students learn about faith-based funds, as well as ESG funds, which evaluate environmental, social, and corporate governance factors as well as financial performance. Spohn requires students to include both faith-based and ESG funds in their portfolios.

Students will hear from guest speaker Joseph Keefe, President & CEO of Pax World Management, LLC, a recognized leader in the field of sustainable investing. “It’s exciting because their mission is socially responsible investing,” Spohn says.

At the end of the course, students evaluate how their portfolios performed and discuss how they selected funds. “When they graduate and get jobs, they’ll know how to pick mutual funds for retirement investing and may choose socially responsible funds,” says Spohn. ■