Branching Out
FROM THE DEAN

“When you keep branching out and learning new things... you also develop the skill of learning itself.”  
— Steve Pavlina

Since its founding at the University of Arkansas in 1926, the Sam M. Walton College of Business has become the state’s premier college of business— as well as a nationally competitive business school. The Association to Advance Collegiate Schools of Business—AACSB International—accredited the college in 1931. U.S. News & World Report’s “2011 America’s Best Colleges” ranked the Walton College in a tie for 24th place among the nation’s public undergraduate schools of business.

To stay abreast of demands in today’s business environment, the rapid advancement of knowledge is critical. This process begins with research. The Walton College places high emphasis on faculty research that creates relevant knowledge for business and industry, opens opportunities for students, and serves the communities of Arkansas and the world. Our faculty balance specific interests with business needs for leading-edge ideas and solutions. Students benefit from this knowledge.

Walton faculty hold doctoral degrees from top institutions worldwide. They teach from a global perspective and conduct research with relevancy to the global marketplace in mind. Researchers tend to know more about their fields than anyone else, since new findings build on the base of existing knowledge. They transform their research from the laboratory into the classroom to help students learn about real business issues and ideas. As a result, they are often the best teachers.

The academic market places a premium on faculty who excel in both teaching and research. So does the business community. Thus, it is imperative that funding for faculty research endeavors—survey development and administration, data collection, site travel, procurement and access to data sets, etc.—is provided. Research funding also helps recruit and retain high-quality faculty and spills over to program quality as well as reputation. The Mark and Dayna Sutton Faculty Support Fund helps us keep our talented faculty engaged in research, learning, and teaching. Many of our outstanding faculty and students would not be here today without your continued support and encouragement.

The Walton College combines excellent academic programs with a wide range of research and experiential learning to help its more than 3,600 students connect scholarship with real business practice. Because of your generosity, we continue to branch out and learn new things. Our faculty are able to compete at national and international levels, and our students obtain a world-class education.

I again express our deepest gratitude for your continued support of these efforts.

Dan L. Worrell, Dean
Sam M. Walton Leadership Chair

MARK AND DAYNA SUTTON FACULTY SUPPORT FUND

Purpose

In 2007, $300,000 was pledged to the Walton College to support a productive, distinguished faculty. Intended to assist the Walton College with the recruitment and retention of top-quality business faculty, possible uses include:

1) one-time salary supplements,
2) summer teaching and research stipends,
3) travel to academic conferences,
4) technology enhancements,
5) moving expenses, and/or
6) other necessary expenses required to build a high-caliber faculty.

The first grants were awarded in spring 2008 to fund summer teaching and research, travel to conferences where research was presented, and purchase reference materials to further research.

Grants

With the 2011 awards, 70 faculty and doctoral students have received grants totaling $307,660.07. Several of these grants benefitted all the faculty and doctoral students in a department, while others benefitted faculty and doctoral students college-wide. All projects “pay off” in terms of strengthening the academic reputation of the Walton College as well as enhancing the learning environment.

<table>
<thead>
<tr>
<th>Year</th>
<th>Contribution</th>
<th>Grants</th>
<th>Awarded</th>
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<tbody>
<tr>
<td>2008</td>
<td>$ 75,000.00</td>
<td>11</td>
<td>$ 73,337.87</td>
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<tr>
<td>2010</td>
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<td>2011</td>
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Seventeen grants totaling $75,007.50 were awarded in spring 2011. Descriptions of these awards, benefiting multiple recipients, follow.
As corporations become concerned with ethics in decision making, researchers increasingly try to discover individual and situational characteristics that influence the handling of ethical issues during decision making. As more is learned, organizational leaders gain insights into interventions and training that can improve ethical decision processes. This research considers, Do national culture and psychological gender moderate the relationship between moral identity and ethical decision making outcomes?

An individual’s moral identity, a relatively new construct in literature, is defined as “a commitment to one’s sense of self to line of action that promote or protect the welfare of others.” Moral identity has two components—internalization (making morals central to who you are) and symbolization (making visible displays of the nature of your moral identity). Research has established that internalized moral identity positively influences decision making. However, the contextual issues that affect this relationship have not been explored. Additionally, moral identity has not been examined with respect to more nuanced aspects of decision making (for instance, the speed at which individuals make ethical decisions and the manner in which the victims of unethical decision making are compensated).

Key contextual aspects—national origin and psychological gender—may affect individual decision making. Moral identity may unfold in different ways in different countries—some cultures follow absolute or universalistic standards while others follow relative or particularistic standards. The expectation is the impact of moral identity is different in the two cultures.

Secondly, while there is evidence of gender playing an influencing role in decision making, results have been mixed. There is a call for researchers to examine gender in terms of the psychological tendency of an individual to exhibit masculine or feminine characteristics. Masculinity, defined as a “concern with the attainment of goals external to the interaction process” (Gill et al., 1987), is characterized by traits such as aggressiveness, competitiveness, and tendency to manipulate objects, people, and situations to attain a goal. Femininity, defined as “giving primacy to the interaction process itself,” is focused on maintaining relationships with those involved in the interaction (Palo, Areni, & Kiecker, 1999). Psychological femininity is associated with relational traits such as caring, nurturance, considerateness, and sensitivity (Cross & Markus, 1993). Gender is likely to influence the ethical dilemmas which an individual needs and seeks to discover and establish those relationships.

Students and managers in three very different cultures—India, United States, and Israel—will be given a decision-making scenario with appropriate manipulations. Surveys will capture respondents’ decisions on various aspects, including the content of the decision, perceived urgency to make a decision, and amount of compensation provided to victims. Funds will be used to develop and administer the surveys and for other related costs.

**Research Data**

Collection of data is critical when conducting research. Data help researchers draw inferences on specific issues. Surveys are a well-tested instrument, method and protocol of data collection that can be used or adapted in research studies.

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Funded $3,250—“Moral Identity and Decision Making: The Moderating Role of National Culture and Psychological Gender”
Vikas Anand, Associate Professor, and Shannon Rawski, Ph.D. Student, Management

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Funded $5,000—“Antecedents of Organizational Responses to Allegations of Wrongdoing”
Jennifer J. Kish-Gephart, Assistant Professor, Management

“Antecedents of Organizational Responses to Allegations of Wrongdoing”—Recent corrupt and unethical acts by organizations have increased public sensitivity to wrongdoing and ethics violations. Accusation of improper behavior is likely to receive more attention and publicity than in the past. This makes the organization’s response (whether accusations are true or not) extremely important. Research has identified several types of responses, including denial, excuses, and use of technical jargon. Yet, researchers have limited understanding of the factors that influence the response chosen. That is, do certain features of the situation affect organizational responses to allegations of corporate misconduct?

After allegations are reported, organizations may have narrow windows of time to respond. As such, decision makers may be more likely to focus on the potential harm to victims, for example, than on other aspects (such as impact on employee morale and organizational culture) when determining the most “appropriate” initial response. Furthermore, leaders charged with deciding how to respond may wrestle with their own values (e.g., honesty and integrity) versus what is in the best interest of the company (e.g., stalling and dodging the issue). Thus, key questions include, How do organizational leaders think through and frame their decision and choice of response? To what extent do decision-makers use rationalizations and other cognitive strategies to reduce their own sense of guilt and personal responsibility?

This research is being undertaken with Vikas Anand, associate professor, and doctoral students Amy Guerber and Shannon Rawski.
“Explaining the Effects of Status on Unethical Behavior”—As corporate scandals and employee crime proliferate, practitioners and researchers look to understand and prevent unethical behavior in the workplace. Research suggests a multitude of variables that might influence employee malfeasance. However, few consider the role status plays. That is, How does competition for status (including attempts to avoid loss) impact unethical behavior in the workplace? This lack of research is surprising since most organizations are characterized by status hierarchies.

Status (larger offices and premier parking spaces, for example) is used to entice competition and superior performance. Even CEOs garner celebrity status by maintaining successful companies and ever-increasing stock prices. In addition to anecdotal evidence suggesting such a relationship exists (for example, the wealthy CEO that risks livelihood and freedom to avoid announcing lower than expected profits), evolutionary psychology suggests that social status was crucial for humans’ survival. Research demonstrates that individuals are highly attuned to social status, can accurately identify others into status ranks, and respond with automatic physiological arousal when status is threatened. To examine the relationship between threats to one’s status and unethical behavior, key variables that may strengthen and explain when this relationship is most likely to occur, including individual differences (e.g., self-monitoring) and characteristics of the ethical climate (e.g., benevolent, egoistic, principled), are considered.

Data for both studies will be collected using lab methodology. Funds will be used to (a) develop and administer surveys, (b) transcribe and code qualitative data, (c) purchase supplies, and (d) provide incentives for participation.

Funded $2,000—“The Impact of Role Stressors and Emotional Exhaustion on Truck Driver Safety”
Steven W. Kopp, Associate Professor, Marketing

In an effort to reduce crashes and promote safety, the Federal Motor Carrier Safety Administration (FMCSA) re-evaluated how it monitors the safety of motor carriers. In December 2010, it implemented the Compliance, Safety, and Accountability Program (CSA) to improve truck and bus safety. With a more comprehensive monitoring program, drivers as well as motor carriers’ outlooks in relation to safety may change.

This research, conducted with Elvira Kemp, Texas State University and Walton College Ph.D., will offer insight into how driver stressors might be reduced in order to improve safety. The role of demand stressors such as role conflict, ambiguity, and emotional exhaustion and their relationship to driver attitudes and behaviors toward safety is examined. It proposes that demand stressors can not only lead to emotional exhaustion and less optimal job performance, but compromise safety.

Data collection will include testing of several models. A survey with robust quantitative measures will be administered to over 400 truckers from different motor carriers. Drivers will complete surveys via the web or hard copy at truck stops in Arkansas, Texas, Kentucky, and Indiana. The quantitative data will be subjected to an analysis using structural equation modeling (Amos 17.0).

Funded $8,000—“Improving Survey Measurement in the Organizational Sciences” and “Trait Entitlement and Early Career Experiences”
Christopher C. Rosen, Assistant Professor, Management

“Improving Survey Measurement in the Organizational Sciences”—A popular technique for collecting data from employees, organizational surveys have been relied on increasingly by organizational scientists to assess employee personality traits, attitudes, and job perceptions. This research has shown that information collected from surveys can be used to predict performance, citizenship, counterproductive, and turnover behavior. However, methodologists have directed criticism towards survey-based research, as reliance on a single measurement technique may be associated with a phenomenon termed “common method bias,” wherein observed relationships between constructs are inflated due to the common source of measurement. With colleagues, I previously published papers in the Journal of Applied Psychology (JAP) and Human Resource Management Review (HRMR) which investigated this phenomenon in a study supported by a Sutton grant. These considered how a personality trait-core self-evaluation (CSE)—is affected by common method variance (CMV), with a focus on examining how application of statistical and procedural controls affect the measurement and modeling of CSE.

This follow-up study will broaden the scope by applying statistical and procedural controls to different types of variables commonly assessed using survey methodology. Specifically, past research focused on a single personality trait and its relationship to job satisfaction. The current study considers three different types of constructs often measured with surveys—personality traits, work attitudes, and job perceptions—to determine (a) which types of constructs (i.e., traits, attitudes, perceptions) are more susceptible to the biasing forces of CMV, (b) how various procedures (i.e., statistical or procedural controls) can be employed to limit the effects of CMV across different measurement conditions, and (c) the extent to which CMV affects the conclusions drawn from survey-based research.

Since testing statistical and procedural controls requires collection of data from several samples over multiple time periods, Survey Response Service will be used. Additionally, data will be collected from University of Arkansas students, as well as the broader population. Funds will be used to pay participants and Survey Response Service fee.

“Trait Entitlement and Early Career Experiences”—Though it has not been substantiated by empirical research, the popular press suggests that entitlement is on the rise in recent generations. Entitlement is defined as a belief that one has a legitimate right to special treatment regardless of one’s actual deservingness. Researchers across several disciplines—psychology, psychiatry, education, and sociology—have investigated entitlement in the general population and among select subgroups, including clinical patients and school-aged children. These studies have shown that people vary in their sense of entitlement, that people respond to entitled peers and coworkers in a negative way, and that entitlement may hinder individuals from achieving goals. However, research has not systematically investigated how entitlement affects the careers experiences of employees.

Working with faculty members Anne O’Leary-Kelly and Jennifer Kish-Gephart and Ph.D. student Alex Rose, this project will focus on (1) understanding the entitlement construct and (2) studying how it affects early career experiences of recent University of Arkansas graduates. Research questions pertaining to pre-employment—How does entitlement affect job search behaviors and outcomes? What are the antecedents to developing an inflated sense of entitlement?—and post-employment—How does entitlement affect socialization? How does entitlement relate to job fit?—experiences will be considered. How entitlement relates to concepts such as social class, psychological contract perceptions, and the idiosyncratic terms and conditions of employment that are negotiated by new hires will also be considered.

An online survey will be developed to collect data from participants three to five times, each separated by about six months. Because this study uses a longitudinal design and is long-term in nature (lasting 1.5 to 3 years), a substantial commitment must be generated among participants. Therefore, funding will provide incentives for participation.

In addition to contributing to the academic community through publication, this study will generate insight about early career experiences of our graduates that can be disseminated across the Walton College.
Walton faculty generate a steady stream of projects, resulting in scholarly publications and presentations. They collaborate with businesses to identify and address business and economic issues through discovery, integration, application and dissemination of knowledge. Several faculty and departments have been cited for high research productivity, leading their disciplines in creating relevant knowledge. Our reputation is based on price may reap greater social savings than those based upon number of items, with savings shared by borrowers to default and left several banks insolvent. The devaluing of mortgage securities caused a global economic slowdown, resulting in government intervention. The ripple effects of the financial crisis arose in part from collapse of the housing market in 2008 and 2009. The housing market bubble caused borrowers to default and left several banks insolvent. The devaluing of mortgage securities led to frictions in credit markets, resulting in government intervention. The ripple effects of the financial crisis caused a global economic slowdown. However, bubbles are not uncommon (e.g., 1990s dot-com bubble, 1980s Asian stock market bubbles, 1700s English South Sea bubble, and 1600s Dutch tulip markets). Due to the work of renown economist Vernon Smith, experimental economics methodology can be used to directly observe economic decision making while manipulating various aspects of the decision environment. This includes the ability to manipulate asset market bubbles in the laboratory.

This study evaluates a system for retail environments where some lines would have lower prices for those willing to wait, while others would have higher prices and serve those for whom time is most valuable. Express checkout based on price may reap greater social savings than those based upon number of items, with savings shared by customers and retailers.

Funded $5,000— "The Link Between Subordinate Performance and Behaviors and Dysfunctional Supervision" Denise M. Breaux, Assistant Professor, Management

Abusive supervision represents the sustained display of hostile verbal and non-verbal behaviors aimed at subordinates by direct supervisors (Tepper, 2000). Examples are yelling at subordinates, lying to subordinates, reminding subordinates of past mistakes and failures, and taking credit for subordinates’ work. Over the past 10 years, a consensus has emerged that abusive supervision has substantial negative impact on employees and organizations. Consequences include increased tension and anxiety, organizational deviance, alcohol consumption, family undermining, and decreased organizational citizenship behaviors. Organizational consequences include costs of over $23 billion dollars annually to U.S. corporations for abuse-related health care claims, absenteeism, and lost productivity (Tepper).

While research established the negative and far-reaching consequences of supervisor perpetrated abuse, little is understood regarding the causes. Research views the behavior as displaced aggression occurring when supervisors who feel unfairly treated retaliate by mistreating innocent subordinates. Research has not adequately addressed the possibility subordinates’ behaviors also play a role in determining the likelihood of abuse.

Funds will be used to conduct a behavioral experiment, with students simulating workplace dynamics in a series of computerized interactions, to investigate the role job performance and workplace deviance (e.g., wasting time, stealing company property) play. Supervisors’ reactions to poor-performing and deviant subordinates will also be investigated. Insight will be gained into factors that engender mistreatment of subordinates—an understanding critical to fostering healthier work environments. Results will be combined with a study being conducted with Bennett Tepper (Georgia State University) and Marie Mitchell and Ryan Vogel (University of Georgia) to be presented at the Academy of Management Conference and submitted to top-tier management journals.

Funded $5,500— “Bubbles in Overlapping Generation Asset Market,” “Games with Strategic Complementarities,” and “Time is Money” Cary A. Deck, Associate Professor, Economics

“Bubbles in Overlapping Generation Asset Market”— The financial crisis arose in part from collapse of the housing market in 2008 and 2009. The housing market bubble caused borrowers to default and left several banks insolvent. The devaluing of mortgage securities led to frictions in credit markets, resulting in government intervention. The ripple effects caused a global economic slowdown. However, bubbles are not uncommon (e.g., 1990s dot-com bubble, 1980s Asian stock market bubbles, 1700s English South Sea bubble, and 1600s Dutch tulip markets). Due to the work of renown economist Vernon Smith, experimental economics methodology can be used to directly observe economic decision making while manipulating various aspects of the decision environment. This includes the ability to study asset market bubbles in the laboratory.

This study with Vernon Smith and Dave Porter (Chapman University) examines how people entering and exiting asset markets contribute to the magnitude of bubbles, an important issue as baby boomers retire and pull investments out of higher-risk stocks. Caginalp and Iiieva (2008) classify market participants as either “value traders” or “momentum traders” and show that bubbles appear to be fueled by cash held by momentum traders. This suggests bubbles are exacerbated by an inflow of cash, but can be dampened or eliminated by restricting liquidity. Preliminary results indicate that bubbles can form, burst, and then reform as traders enter and exit the market.

“Games with Strategic Complementarities”— There has been a flurry of experimental work on behavior in contests, including papers by Deck and Sheremeta (2010) and Deck and Jahedi (2011). These combine the distinct literatures on hyperbolic discounting and strategic behavior. Ultimately, little evidence has been found that people exhibit present bias in strategic situations, a potentially important result contradicting conventional wisdom. This project, with Sudipta Sarangi and Matt Wiser (Louisiana State University), uses experimental economics methodology to test the theoretical results of Kovenock, Sarangi, and Wiser (2010). In that paper, situations with contests over multiple prizes with complementarities were considered. In this game, each player tries to complete a continuous path connecting two controlled regions. Thus, a region is valuable to Player X only if the connecting region is also owned by Player X. This situation, known as the “game of hex,” models a variety of situations including a dispute between naturalists wanting green ways for animals and developers wishing to build high speed rail between two towns. The results of this study will be the basis for a National Science Foundation proposal to expand the research to related issues.

“Time is Money”— With Erik Kimbrough (Maastricht University), application of variable pricing to prioritize service in retail environments will be considered. In many situations, there are more customers desiring attention than can be accommodated, which means some must wait, be it people in line to check-out, on hold with technical support, or waiting for a table. The problem is identifying who should be served first. Prices are a mechanism used to allocate scarce resources in an efficient way. While the idea of paying to “jump in” line can be off-putting and may bring up images of class elitism, it is not uncommon.

Six Flags theme parks offer multiple pass levels at premium prices which allow holders to “skip ahead” in line. Shipping companies, printers and laundries charge more for one-hour service. Another example is variable-priced toll roads with price adjusted to reflect the number of cars using the roadway. When there are few, the externality created by an extra car is low, and the toll is low. When crowded, the externality is large, and the toll is high. Thus, price causes decision-makers to internalize the externality, and only those with a high value for the road use it. Orange County’s Riverside Freeway is a variable-priced toll road with variable lanes operating alongside multiple free lanes.
Access to published data—facts, figures, enumerations and other materials, past and present—is essential when conducting research, serving as basis for study and analysis. Public-access data sets provide a nationally representative sample, do not require researchers’ time to collect, but are recognized as credible sources of data. These resources enhance information gathering, analyzing, and drawing conclusions. They provide values to which findings can be compared.

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**Research Materials**

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**Funded $8,000—Thomson Reuters Insider Filings Database**

Sabrina Su-Li Chi, Assistant Professor, Accounting

This database provides U.S. insider stock trading transactions and holding information reported on Forms 3, 4, 5, and 144. Also included is performance calculations revealing which insider’s prior trades have been most predictive of subsequent stock returns. Corporate insiders are those having “access to non-public, material, insider information.” Thus, insiders’ activities are typically viewed as important information signals of companies.

For capital market and compensation research, this data will benefit accounting faculty and Ph.D. students. At present, junior faculty are working on two projects which require data on insider trading.


Other business faculty (finance and economics) may use the database, which also has coverage of management forecasts since 1992. Annual and quarterly forecasts of earnings, cash flows, or other performance measures are channels to managers’ private information. Another component is a firm’s institutional ownership, which is a monitor of managerial actions.

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**Funded $4,657.50—American Hospital Association’s (AHA) Annual Survey of Hospitals FY2009 Database**

Gary D. Ferrier, Professor, Economics

The U.S. Department of Health and Human Services’ State Children’s Health Insurance Program (SCHIP) provides matching funds to states for health insurance for children that do not qualify for Medicaid, but whose incomes are still modest—up to 200 percent of the federal poverty line. Each state has flexibility in eligibility requirements (within federal guidelines); this flexibility is used strategically by states. Recognizing the moral hazard, and attendant costs, associated with health insurance, many states have used waiting periods to discourage enrollment, thus reducing state outlays for the program. Still, enrollment in SCHIP has grown steadily since its launch in 1997. Twenty-one percent of American children live in families below the federal poverty level and qualify for Medicaid; another 21 percent are in families whose income qualify them for SCHIP. Access to health care in childhood is vital to good performance in school, and, later, productivity in the workforce.

Children’s specialty hospitals, treating patients under the age of 19, have become increasingly common in the industry and are changing competition in the marketplace. Medicaid and SCHIP are the two largest payers for care at children’s hospitals. To a large extent, these hospitals’ financial viability hinges on these two government programs, since they pay for the majority of the emergency visits and inpatient days at children’s hospitals (Feeg, 2006).

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**Funded $6,000—Thomson Reuters I/B/E/S Guidance Database**

Shawn Huang, Assistant Professor, Accounting

Supporting ongoing research in the Department of Accounting, this database contains management forecasts dating back to 2002, plus extended history back to 1994 for North American companies. Management forecasts generally involve forecasts of annual and quarterly earnings, cash flows, or other performance measures (e.g. revenues). All are important channels to reveal managers’ private information.

Junior faculty are working on research projects which require data on management earnings forecasts.

- Cassell, Myers, Omer, Cao, “Firm Reputation and Disclosure” (2011).
- Farber, Huang, Mauldin, “Audit Committee Accounting Expertise and Analyst Following” (2011).

Senior faculty have four projects using management forecast data.


Ph.D. students (Lauren Dreher, Scott Johnson, Adi Masli, Mike Stuart) have research proposals that require use of this data. Masli is examining the association between continuous control monitoring mechanisms and corporate disclosure policies. Johnson will investigate the impact of chief financial officers’ equity compensation on firm disclosure policies.
In collaboration with Mark Arnold (Mathematical Sciences) and Kathy Fogel (Finance), “The Value of Corporate Connections” will examine the economic value of social networks in corporations. How does the position of an individual in the network of social connections of those who serve on the boards of U.S. corporations affect the power they wield in the corporate world?

Three sets of data—1) individuals on the boards of Standard and Poor’s 1500 index firms, 2) a database including a subset of individuals in these firms who overlapped during their time as students at several ivy-league universities, 3) data set on overlap at unlisted companies—will be used to construct a network of social connections based on overlapping tenure at universities and corporations. The topology of the social networks will be mapped to understand the structure of connections and relative position of the individuals. These measures will be correlated to measure proxies for economic influence and performance at firms in which they operate.

The data sets include more than 300,000 individuals spanning the period between 1940 and 2011. Existing software tools at the University cannot handle such a large and complex network. Thus, software for network analysis at the corporate scale is necessary. Sonamine is well-suited for such industrial level capabilities and is used by the corporate sector to analyze large complex networks within a feasible time period.

The most unique feature of this data is the extensive lists of social connections between individuals holding key positions (such as senior management positions and board membership) at publicly traded firms, privately held firms, and not-for-profit organizations. The data also contain a history of education and employment experiences for these individuals. In addition, full details of compensation including drill downs of option contracts and demographic profiles both at the individual and firm level are provided. Approximately 375,000 individuals and 8,000 U.S. companies are included in the searchable data, which can be downloaded in batch files. The data dates back to early 1930s, with more complete coverage since the early 1990s.

The values of social connections for individuals and firms are at the forefront of behavioral corporate research. Researchers have been able to document how social connections facilitate information flows in mergers and acquisitions, managerial compensation, investment, and other finance strategies. Researchers, including faculty and doctoral students in finance and economics, have initiated several projects that can benefit from the timely acquisition of this database. For example, a project that studies the topology of the network in general asks how important structural properties of the network evolve over time, whether such evolution correlates with the business cycle, and whether it matters to the fortunes of major companies.

Another project models the channels through which one’s network position translates to one’s command of power and wealth. How does one’s network position relate to one’s bargaining power inside and outside the firm? What is the value of a highly connected individual to a firm? Do two firms behave similarly in their financial policies if a “centrally” positioned individual serves on both boards?

Lastly, do individuals with similar traits form social connections as clusters? Are the “independent directors,” as defined by the SEC, truly independent? What would be a more appropriate measure of board independence? As we acquire data and become familiar with it, much research can be done to provide answers to questions relevant to corporate governance advisors, practitioners, policy makers, and the SEC.

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Those benefiting from this database include several finance faculty members and doctoral students—Kathy Fogel, Tomas Jandik, James Cash Acrey, Jorge Santiago Barraza, Rwan El-Khatib, Garrett McBrayer, Bill McCumber, and Justin Lallemund. Faculty members and students in other departments may also use the database.
The business world has long encouraged academics to engage in more real-world problems and solutions. Although much meaningful, empirical research has been done, many researchers have resisted due to the challenges. These can include:
1) Cost– Field research requiring on-site visits require cash outlays for travel, lodging, and other expenses.
2) Access to Firms and Agencies– Firms/agencies necessary for the research may not be willing or available.
3) Access to Data– Even if access to needed firms or agencies is gained, some may be reluctant to release any or all data necessary for the study.

This research, being conducted with Michael Kneymeyer, The Ohio State University, and Paul R. Murphy, John Carroll University, will contribute to both logistics and international business communities. Cultural traits have been found to impact several business processes and strategies, such as lean manufacturing practices and supply chain management. But little has been done in the area of logistics outsourcing. Combining data from previous surveys conducted in Brazil, Germany, and the United States, as well as interviews with managers, this project intends to identify antecedents to proactive behavior in logistics outsourcing that are accrued from cultural traits. The study is a continuation of a research project conducted in Brazil with the support of a leading practitioner logistics magazine in Brazil– Tecnologistica. The first manuscript, submitted to the Journal of Business Logistics (April 2011), explored the role of organizational justice in logistics outsourcing relationships using survey data from Brazilian firms. The findings suggest a customer’s perceived fairness in policies and outcomes adopted by a 3PL nurtures a customer’s trust in and long-term orientation towards their relationship. In such a relationship climate, cooperative behaviors take place, ultimately providing an incentive for a 3PL to proactively pursue operational improvements.

Further qualitative information is needed for the application of Grounded Theory for hypotheses development. During a trip to Brazil, survey findings will be enriched through semi-structured interviews with key players in logistics outsourcing in the Brazilian market and connections identified for phone interviews. In addition, contacts for future company visits by University of Arkansas students during Brazil Study Abroad Programs will be built. One of the largest 3PLs in Brazil–Rapidao Cometa, a logistics research institute (ILOS)– and Tecnologistica magazine have agreed to meet and schedule visits with experienced shippers in the Rio de Janeiro metropolitan area.

A focal concern is a major source of funding for digital divide initiatives. Specifically, to be more socially responsible, organizations spend billions of dollars each year on ICT implementations to bridge the digital divide in developing countries, such as China and India. ICT success–defined in terms of adoption and use–is rare, with up to 85 percent failing to some degree. Thus, research on the digital divide in developing countries is of practical significance, with potentially far-reaching implications, including contributions to social responsibility.

The broad objectives of this project are to (1) develop models of Internet kiosk use and its impacts in developing countries and (2) empirically validate the models with longitudinal data collected in the context of digital divide initiatives in India. Ongoing research in India studies Internet kiosks installed in villages and examines various predictors–including individual characteristics, family characteristics, network characteristics, implementation strategies and governance modes–and their impacts on technology use, economic and health outcomes. One paper has been conditionally accepted at a premier journal, Information Systems Research. This work has also been recognized by the United Nations, presented in Paris in September 2010.

Next steps involve continuing to gather more data from government agencies about Internet kiosk use and health outcomes. In the past, work with local and state government agencies in India has facilitated access to this data. To continue access and support of these agencies, periodic presentations are necessary. Travel to India to meet with government agencies will enable the status updates on results thus far and access to more data. Once access is obtained, support and help in India are critical to harvest data from the government archives and kiosk logs.

By obtaining these unique data over the long-term, sophisticated analyses of the phenomenon of the digital divide can be understood. The long-term impacts of Internet kiosks and their affect on society and the recursive relationship of how the societal changes shape use of the Internet kiosks can be understood. Together, these activities will allow continued contributions to the science and practice related to the digital divide in developing countries.
The Sam M. Walton College of Business was again ranked 24th among public business schools and 42nd among both public and private institutions by *U.S. News and World Report*. In the field of supply chain, the College was ranked 10th among public institutions and 13th overall.

The Walton College accounting program was ranked 9th best undergraduate program in the mid-size category by *Public Accounting Report*.

*U.S. News and World Report’s* “2011 Best Graduate Schools” ranked the full-time Master of Business Administration program in the Walton College in 25th place among the nation’s public graduate schools.

The Walton College Managerial (part-time) M.B.A. program was ranked at 25 among public graduate business programs.

Both programs were ranked 50th and 51st respectively among both public and private business schools.

The Walton College Master of Accountancy program was ranked 13th best graduate program in the mid-size category by *Public Accounting Report*.

*U.S. News and World Report’s* “2012 America’s Best Graduate Schools” rated the supply chain management and logistics specialty in a tie for 14th place among all universities.