



# LOYOLA UNIVERSITY CHICAGO

## School of Business Administration

### RESEARCH NEWSLETTER

Volume 7, Issue 4, Spring 2006

**The SBA Research Committee is pleased to announce the annual Faculty Researcher of the Year award** for the academic year 2005-06.



Dr. Suzy Fox

Dr. Patricia Simpson

This year the award is presented jointly to **Professor Suzy Fox** and **Professor Patricia Simpson**, both Associate Professors within the Human Resources and Employee Relations affinity area. The award recipients are chosen on the basis of both the quality and quantity of research output within the past five years as enumerated and reported in the most recent Faculty Research Inventory Report. Congratulations, Suzy and Pat!

The entire faculty appreciates the prestigious achievement of these two scholarly women.

**Professor Fox's** research areas are counterproductive work behavior, with her colleague and mentor Paul Spector; racial/ethnic workplace bullying with Lamont E. Stallworth; and the Successful Women Worldwide international research group. She has presented research at conferences in Peru, Hungary, Poland, Canada, and the U.S., and taught in executive and continuing education classes in Austria and Puerto Rico. She has published in the *Journal of Vocational*

*Behavior, Journal of Organizational Behavior, Organizational Dynamics, Human Resource Management Review, Journal of Occupational and Organizational Psychology, Journal of Occupational Health Psychology, and the Employee Rights and Employment Policy Journal of Kent Law School.*

Dr. Fox has further coauthored a book with Paul Spector, *Counterproductive Work Behavior: Investigations of Actors and Targets*. Her new book, *From Polar Winds to Tropical Breezes: Successful Professional Women of the Americas*, coauthored with the Successful Women Worldwide research team, will be published in July 2006. She has been awarded a 2006 Summer Stipend for a new study of stress, burnout, and productivity of academic faculty.

A working paper which **Professor Simpson** coauthored on changing patterns of occupational segregation is currently available from the National Bureau of Economic Research. She has also published articles on occupational segregation by gender in *Feminist Economics* and on occupational segregation by race in *Social Science Research*. She has conducted survey research on the division of emotional labor by gender in the workplace, resulting in a publication in the *Journal of Applied Psychology*. A second stream of research focuses on the training needs and activities of older workers. Her work in this area has appeared in *Human Resource Management Review, Feminist Economics*, and the *Journal of Vocational Behavior*.

A forthcoming textbook on older workers will also contain a chapter that she authored on the topic of older workers and training. An analysis of the implications of social security reform for older women is scheduled for publication in

*Challenge*. Dr. Simpson is also interested in standards and norms of organizational justice and how these norms influence responses to wage structures, national income distribution patterns, and union organizing campaigns. Articles from this stream of research have appeared in *Employee Rights and Responsibilities* and in the *Journal of Labor Research*. She has also published articles on contract administration and union steward power in *Industrial Relations Research Review* and *Labor Studies Journal*.

**John R. Boatright, the Raymond C. Baumhart, SJ, Professor of Business Ethics**

has published “Ethics for a Post-Enron America” as a chapter in *Enron and World Finance: A Case Study in Ethics*, edited by Paul H. Dembinski, et al. (Palgrave Macmillan, 2006). The fifth edition of his textbook, *Ethics and the Conduct of Business*, has been released by the publisher, Prentice Hall. A Chinese translation of the book is currently being prepared, to be published by Peking University Press. Professor Boatright delivered the keynote address, “Bad Apples or Bad Barrels?-- Individual Versus Organizational Responsibility for Wrongdoing,” at a conference on Employing Ethics in the Workplace, at Rockhurst University, Kansas City, MO, in January 2006. He also gave an invited lecture on “What’s Right—and What’s Wrong—with Stakeholder Management” at the University of Montreal, February 23, 2006.



**Mine Cinar, Professor and Area Coordinator (Economics)** presented “Definitions of Economic Openness and Civic Liberties in MENA Countries” (coauthors Poulous, Slear) at European University Institute, Montecatini Terme, Italy, in March

2005 and at DePaul University and presented “Changes in Freedom Indices and Economic Growth,” (coauthors Poulous, Slear) at ECOMOD/MEEA Conference, Free University of Belgium, June 2005. She edited and published the electronic proceedings journal, *Topics in Middle East and North African Economies*, Vol. 7, September 2005. The journal can be found at the site: <http://www.sba.luc.edu/orgs/meea/volume7/>.



Professor Cinar also participated in the finance sessions at the Economic

Research Forum meeting in Cairo, Egypt in December 2005 and presented a poster paper in MEEA/ASSA meetings in Boston, MA in January 2006.

**Dr. Chaim Ehrman, Associate Professor, Marketing**

sent his paper to INFORMS (Institute for Management Science and Operations Research) and it was scheduled to be presented in early November in New Orleans. Of course, Dr. Ehrman purchased his ticket to New Orleans right away, to take advantage of lower fares. If Dr. Ehrman would have simply applied the rules of “Option Preservation”, he would have waited to see the damage of Hurricane Katrina. The Organizers of the Annual Conference assured everyone that by November “everything will be cleaned up” and “the conference will continue as scheduled”.



The title of the paper was, “On Using Benefit Segmentation for a Service Industry: A Study On College Career Counseling Services, INFORMS, San Francisco, CA, Autumn, 2005.”

Well, everything was not cleaned up, and the conference did not continue as scheduled. The conference was moved to San Francisco, and by the time the participants were informed of the change, the “inexpensive” tickets from Chicago to SF were no longer inexpensive at all! The presentation of the paper went very well.

This paper was submitted and accepted by the *Journal of the American Academy of Business*. This paper won the Best paper award from the Journal!

Subsequently, Dr. Ehrman presented a paper for the Midwest Business Academic Association (MBAA) at the Palmer House. This was closer to home, and the threat of Floods and Hurricanes was not really an issue. It is walking distance from LUC to the Palmer House. The paper was published in the Proceedings of the Conference and is titled “Success in College Sports and Its Impact on Applications, Enrollments and SAT Scores,” with Allen Marber and Paul Wellen, Proceedings, MBAA Conference, Chicago, IL, March 2006. This was presented at the Morning Session of MBAA.

Another paper was presented dealing with the effectiveness of Varsity Sports to Enhance Status of a University. “Forget the Four P’s; A Better Way to Market Colleges and Universities,” with Allen Marber and Paul Welch and Alfred Holden, MBAA Conference, Chicago, IL, Palmer House, Afternoon Session, March 27, 2006.

**Paul E. Gabriel,**  
**Professor of Economics,**  
published three papers during the past year. The first



paper, “A Longitudinal Examination of Earnings Inequality and Mobility among Full-

time Workers in the United States,” *Social Science Journal*, Vol. 42 (4), 2005, analyzes long-term data on earnings inequality and mobility for prime-aged, full-time workers in the United States. In general, the paper finds that although real earnings across quintiles increased during the 1990s, earnings inequality continued to grow and upward earnings mobility for low-income workers declined slightly during the decade. The second paper, “A Note on Occupational Variations in the Returns to Education in the U.S. Labor Market,” (with S. Schmitz), *International Journal of Manpower*, Vol. 26 (5), 2005, uses data from the 2003 Current Population Survey to estimate rates of return to education across occupational categories in the U.S. labor market. The analysis suggests that additional schooling has a positive impact on the weekly earnings of men and women in both white and blue-collar occupations -- with the highest returns accruing to sales, managerial, and professional workers. Although returns are generally higher for white-collar workers, no link is found between the returns to schooling and the propensity of occupations to be comprised of “primary” or “secondary” sector jobs. The third paper, “The Effects of Differences in Year-round, Full-time Labor Market Experience on Gender Wage Levels in the United States,” *International Review of Applied Economics*, Vol. 19 (3), 2005, utilizes longitudinal information on annual hours worked to construct a more robust empirical measure of labor market experience for young workers in the United States. This enhanced experience measure yields a dramatic improvement in the ability of standard human capital earnings regressions to explain the variation in wages across individuals, especially for young women. In addition, additional empirical analysis indicates that approximately one-fourth of the gender difference in average wages is attributable to the higher work experience levels of men.

**Jill W. Graham, Associate Professor of Management,** presented research conducted with Linn Van Dyne (Michigan State

University's School of Business) at the most recent International Meeting of the Association on Employment Practices and Principles (October, 2005). The title of her presentation was "The Positive Potential of Organizational Politics: Redeeming Civic Virtue in the Workplace." For the past twenty years, Graham has pioneered the study of organizational citizenship behavior (OCB) from the perspective of classical and more modern theories of political philosophy. In a series of publications on OCB, her research demonstrates that responsible participation in organizational governance (also known as "civic virtue") is a fundamental form of good citizenship, even if it is not as universally applauded as are conscientious task performance and collaboration with others. Graham's conference paper with Van Dyne has been accepted for publication in *Employee Responsibilities and Rights Journal*.

A separate research focus for Jill Graham stems from her experience, starting in 1995, training and directing advanced business students to engage in service learning by providing management consulting services to individual entrepreneurial and not-for-profit clients who are starting up or operating businesses in economically distressed Chicago communities. (Client selection criteria include having a passion for the business, relevant operational knowledge but no college-level business training, financial need, and a commitment to create job opportunities and otherwise contribute to economic revitalization in the local community.) Over the past twelve years, a total of 87 clients have been served. Some of the business students, after graduating from Loyola, have volunteered to continue working with their clients or with non-profit organizations that provide microenterprise services. Graham is currently pursuing a follow-up research project to find out how the former clients and their businesses are doing; what the former students, now alumnae/ni have chosen to do in their careers and with their volunteer time; and what comments and suggestions former participants have for future

participants and for Professor Michael Welch, who will take over the Microenterprise Consulting course upon Graham's retirement this summer.

**Homer Johnson, Professor (Management) and Linda Stroh, Professor (HRER)** have just had their new book published, *The Basic Principles of Effective Consulting*. The book has received great acclaim from top researchers in the field such as Margaret Neale from Stanford University and Bob Lorber, University of California (*Putting the One Minute Manager to Work*). The book outlines a step by step process for becoming an effective consultant.

**Nenad Jukic, Assistant Professor (ISOM)** has published a journal article titled "Data Modeling Strategies and Alternatives for Data Warehousing Projects" in the April 2006 issue of *Communications of the ACM*. Despite the growing pervasiveness of data warehouses, there is hardly a consensus among researchers and practitioners about the most appropriate data modeling strategies for data

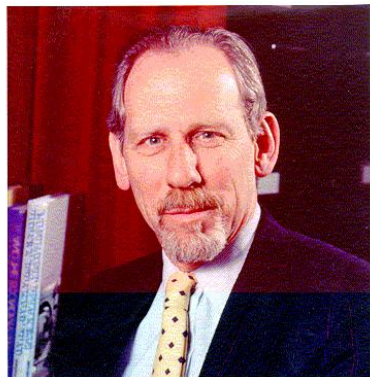


warehousing projects. In order to help readers recognize what the choices are and the implications of making a particular selection, this paper provides an impartial and concise view of the competing methodologies and the issues that drive the ongoing debate about them.

Dr. Jukic has also coauthored a paper titled "Pricing and Production Planning under Yield Uncertainty With Multiple Customer Segments", with Dr. Burak Kazaz from the University of Miami, Coral Gables, Florida, and Dr. Brian Tomlin from the Kenan-Flagler Business School, University of North Carolina, Chapel Hill, North Carolina. This study develops a production

planning method for the medical industry in order to cope with the new demands of the U.S. government's post 9/11 regulations. The article will be presented at the eleventh MSOM Conference, the annual meeting of the INFORMS Society on Manufacturing and Service Operations Management, in June 2006 at the Georgia Institute of Technology's campus.

**George G. Kaufman, the John Smith Professor of Finance and Economics,**

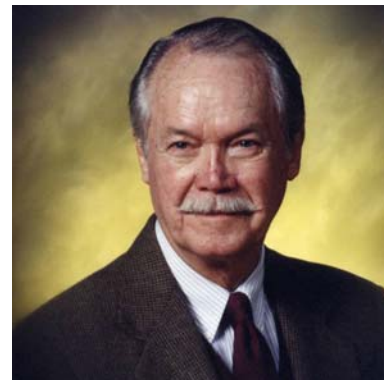


published  
coauthored

articles on "Bank Crisis Resolution and Foreign-Owned Banks" in the March issue of the *Journal of Bankruptcy Law* and on "Minimizing Post-Resolution Costs in Bank Failures" in E. Klein, ed., *Global Banking Issues*. He presented a paper on "Reforming Deposit Insurance" at the annual meeting of the Midwest Finance Association in Chicago in March. He also chaired the regular quarterly meeting of the Shadow Financial Regulatory Committee in Washington, D.C. in February.

**Tom Nohel, Associate Professor (Finance),** received a grant from the Institute for Quantitative Investment Research (INQUIRE-UK) in the amount of £10,000 for his work entitled "Side-by-side Management of Mutual Funds and Hedge Funds" that is joint with Lu Zheng (University of Michigan) and Zhi Wang (University of Illinois). Tom will also be presenting this paper in June in Shanghai at the *Journal of Financial Intermediation* Conference. This paper explores the conflict of interest that is inherent when the same manager manages both mutual fund money and hedge fund money.

**JOHN D. O'MALLEY, Professor of Business Law,** is conducting a study with something of an interdisciplinary and international flavor in researching the history and use of the British awards system to provide incentive leading to actions of self-sacrifice for the benefit of others or society itself. The results of his efforts have led to a series of articles published in the *Journal of the Order and Medals Research Society of London*.



**Anne H. Reilly, Professor (Management)** presented two papers this spring. The first was a paper coauthored with Tony Karounos, Loyola MBA 2004, entitled "Emotional Intelligence and Cross Cultural Leadership Effectiveness: An Exploratory Analysis," and was presented at the 13th annual American Society of Business and Behavioral Sciences Conference, Las Vegas, Nevada, in February 2006. This research surveyed managers from the U.S., Australia, Latin and Eastern Europe, and Southern Asia to examine how varying cultures perceived the effectiveness of differing leadership styles. In particular, the role of emotional intelligence (EI) in determining leadership effectiveness was explored. The results suggested that EI as a leadership trait may be valued more highly than technical skills and cognitive skills.

The second paper, "From the Tangible to the Intangible: An Experiential Exercise for Learning About Organizational Culture", was presented at the 20th Annual Mid-Atlantic Organizational Behavior Teaching Conference, held at LaSalle University (Philadelphia) in March 2006. Here, Dr. Reilly discussed an experiential in-class exercise she uses regularly in class to illustrate organizational culture, its

tangible manifestations (e.g., cultural artifacts), and the underlying values these tangible objects represent.

**Dow Scott, Professor of Human Resources and Employment Relations,**



published seven articles during the last year on pay, employee opinion surveys, organization commitment and interpersonal

relationships. Four with various co-authors were published in the *WorldatWork Journal*: “Employee Opinion Surveys in the Internet Age: Remember the fundamentals” 14 (4); “The Fiscal Management of Compensation Programs” 14 (3); “An Inside Look at Compensation Committees” 14 (2); and “Taking Control of Your Counter-Offer Environment” 14 (1). In addition, Professor Scott published with co-authors: “The Future of Compensation Professionals: According to Your Colleagues” in *WorkSpan* 2006 49 (1); “A Construct Validity Study of Commitment and Perceived Support Variables: A Multi-Foci Approach Across Different Team Environments” in *Group and Organization Management* 2005 30 (2); and “Dimensions of Interpersonal Relationships and Safety in the Steel Industry” in the *Journal of Business and Psychology* 2005 19 (3). This spring Dr. Scott’s research has focused on evaluating pay programs.

**Vefa Tarhan, Ralph Marotta Professor of Free Enterprise**



presented his paper titled “On the Joint Nature of Firms’

Financing Decisions” coauthored with

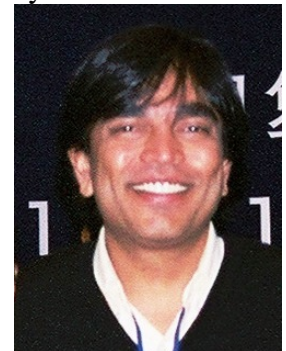
Vladimir Gatchev and Paul Spindt at Loyola Finance Department on April 20th and DePaul’s Finance Department Seminar Series on April 25th. Professor Tarhan also presented the same paper at Kellogg Graduate School of Management on May 18th.

Professor Tarhan has accepted an offer to be a columnist for the Turkish edition of the Forbes. The Magazine is published monthly and has a circulation of 350,000. His first article titled “The Globalization of the Equity Culture” will appear in the May issue.

**Arup Varma, Associate Professor and Director (Institute of Human Resources and Employment Relations)**

published “Ingratiation in Job Applications: Impact on Selection Decisions” in the *Journal of Managerial Psychology*, Vol. 21 (3). S.M. Toh of the University of Toronto and Shaun Pichler of Michigan State University were co-authors.

In this study, the authors studied the impact of ingratiation by job applicants (through the cover letter) on decision makers’ evaluation of the applicants’ suitability for the job.



Professor Varma was also invited to present a research symposium on “Host Country National Categorization of Expatriates” at the Aston Business School in Birmingham (U.K.) on March 28, 2006.

The Research Newsletter is published by the Research Committee of the School of Business Administration. Professor Marc Hayford, Editor; Mark Law, Production Manager

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