

LOYOLA UNIVERSITY CHICAGO
School of Business Administration
Research Newsletter
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***Professor Van Oyen is
Researcher of the Year***

Congratulations to Mark Van Oyen, Associate Professor (ISOM) on his selection as researcher of the year. Since 1999, Mark has been associate professor of Information Systems and Operations Management at Loyola. Previously Mark taught in the Industrial Engineering and Management Sciences Department at Northwestern University. Mark earned MSE and Ph.D. degrees from the Electrical Engineering and Computer Science Department of the University of Michigan in Ann Arbor.



Mark's research focuses on using state-of-the-art techniques to solve practical but difficult problems related to worker cross-training, the stochastic control of queues and applied probability. Mark's recent work analyzes the training and staffing of call-centers, such as computer help desks and emergency 911 lines. This work demonstrates a practical application of sophisticated analysis to improve the performance of a ubiquitous feature of modern life. Mark's work has been very widely published and has received impressive financial support from General Motors Corporation, Alcoa Corporation and the National Science Foundation.

E. Mine Cinar, Professor (Economics), presented a paper on "Poverty Levels: Critical Splitting Nodes of Financial Variables" in the MEEA/ASSA Meetings on January 4, 2002, in Atlanta, Georgia. This study finds that the proportion of the population in absolute poverty (less than \$1 purchasing power parity per day) depended not on absolute or relative levels but on the type of public spending in a country.

Professor Cinar's paper on "Risk Adjusted Performance of Regional Emerging Market Indexes" , jointly with T. Sener, has been accepted for publication in the Spring 2002 issue of *Journal of Emerging Markets*. In this study, various portfolios with different emerging market stock indexes are examined to compare portfolio returns using measures that are commonly employed to assess mutual fund performance.

George G. Kaufman, John F. Smith Professor of Finance and Economics, received the first Distinguished Scholar Award from the Midwest Finance Association at its annual meeting on March 14, 2002, and presented the keynote address to the Association, "Too Big to Fail in Banking: What Remains?" He also participated as an invited panelist at a banking conference sponsored by the Bank for International Settlements (BIS) in Basel www.sba.luc.edu/research/faculty, Switzerland in March, and presented invited papers at a World Bank conference for Deputy Governors of Central Banks in Washington, D.C. in June and at an international conference at St. Mary's University in Halifax, Nova Scotia in May.

The School of Business of Loyola University Chicago will host

Sixth Biennial Conference of the Athenian Policy Forum
August 16-18, 2002

Conference Theme
**THE GLOBAL ECONOMY:
FINANCIAL LEGAL AND TECHNOLOGICAL ASYMMETRIES**

The Athenian Policy Forum
is an international research organization with headquarters in
Toronto, Canada dedicated to studying the economic asymmetries that
exist between developed and developing nations.
Their web site is www.apf.org.

Loyola faculty scheduled to present their research at this
conference include:

George Kaufman: *Lessons from Recent Banking Crises*
Vefa Tarhan: *Global Financial Crises: The Case of Argentina and Turkey*
Nick Lash: *Banking Developments in Thailand*
Tassos Malliaris: *Global Instabilities and the Role of the EMU*
Marc Hayford & Tassos Malliaris: *Monetary Policy and the Stock Market*
Frederick Kaefer & George Nezek: *Implications of Global Asymmetries in Power*
Infrastructures
Gezinus Hidding: *First-mover Advantage in eBusiness*

John R. Boatright, the Raymond C. Baumhart, S.J., Professor of Business Ethics (Management), delivered the Dhanis Chair lecture at the University of Antwerp, UFSIA, on April 29, 2002. The title of the lecture was "Employee Governance and the Ownership of the Firm." He also conducted a seminar for faculty and graduate students in applied economics on "Normative Aspects of the Contractual Theory of the Firm."

Professor Chaim M. Ehrman (Marketing) presented a paper on evaluating marketing journals. It was based on primary data from professors who responded to a questionnaire identifying forty-seven marketing journals. Using factor analysis, he identifies seven major categories in marketing and provided rating scores for journals within each category. This was presented in Miami Beach at the *INFORMS* conference. He also received a plaque for being

Ehrman, continued from p. 2

the head of the Direct Marketing Group at the American Marketing Association Educators' Conference.

Marc D. Hayford, Associate Professor (Economics), presented a paper, "Has the Fed Established its Credibility as an Inflation Fighter?" at the Midwest Economics Association meetings, March 2002, Chicago. This research focuses on whether private agents thought the Fed had a credible low inflation goal. An empirical model is developed from a small rational expectations model of the economy. The results suggest that monetary policy offsets inflation shocks only slightly.

Nenad Jukic, Assistant Professor (ISOM), has published a paper titled "Designing a First-Iteration Data Warehouse for a Financial Application Service Provider" (with T. Neild - Infograte, Inc.) in *The Annals of Cases on Information Technology*, Vol. 4, January 2002. In addition, three of Professor Jukic's papers were presented at conferences and will be published in the conference proceedings. These include: "Improving E-Business Customer Relationship Management Systems with Multilevel Secure Data Models" (with Boris Jukic, Laurie Meamber, and George Nezelek), "Utilizing Approximate Answers for Mobile Real-Time Database Queries" (with Susan V. Vrbsky) and "M-Commerce: Analysis of Impact on Marketing Orientation " (with Boris Jukic, Manoj Parameswaran and Abhishek Sharma).

David Merriman, Professor (Economics) presented his paper "The Effect of Tax Increment Financing on Land Use" (with Richard Dye) at a conference sponsored by the Lincoln Institute of

Merriman's empirical results show that preferential property tax treatment (tax increment financing) for commercial land uses located within tax increment finance (TIF) districts results in reduced commercial activity outside the TIF district. Professor Merriman also traveled to Kanchanaburi, Thailand to give a series of lectures on cross-border smuggling of cigarettes with applications to Southeast Asia. He presented a review of the literature and discussed alternative techniques for measuring and controlling tobacco smuggling. Seminar participants included economists and government officials from Thailand, Malaysia, Cambodia, and Vietnam. Information presented at the conference will be used to design research that can be used to develop effective tobacco control measures for the region. The conference was organized with financial support from the Rockefeller Foundation. Professor Merriman has received financial support from the Washington, D.C.-based Urban Institute for research to be conducted during the summer and fall of 2002. He will be studying how US state government budgets adapt to changing economic conditions. The Urban Institute recently published Professor Merriman's co-authored chapter on "TANF funding and spending across the states" in its book *Welfare Reform: The Next Act*, Washington, D.C.: Urban Institute, 2002.

John D. O'Malley, Professor (Accounting) has undertaken to write about ten articles for British journals that have as their purpose the investigation and preservation of information about the lives, actions, and awards of individuals who have been recognized for gallantry in protecting the lives of others. In this type of research, the actors vary, the locations

Land Policy in Scottsdale, Arizona in January 2002 and at DePaul University in March 2002. Dye and

O'Malley, continued from p. 3

span the world, but the focus is the same -- self-sacrifice in the service of humanity.

Professor O'Malley has assembled over many years an internationally noted, award-winning collection of British medals awarded for gallantry, both civil and military. Professor O'Malley recently authored two articles: "The Only Albert Medal Won in the U.S.A.--Captain Edward Cropper, DSO, AM" that will be published in the *Journal of the Life Saving Awards Research Society of England*, and "The Albert Medal -- A True Classic" that will be published in the *Journal of the Orders and Medals Research Society of London*.

Mark Van Oyen, Associate Professor (ISOM)

Professor Mark Van Oyen, working jointly with Professor Seyed Iravani of Northwestern University, has obtained National Science Foundation (NSF) funding to use mathematical models to improve call centers. Professors Van Oyen and Iravani are analyzing a series of models that predict the performance of various cross-training patterns using skills-based call routing and provide insight into the factors that determine their efficacy from a cost/benefit perspective as well as the system's response performance. . As part of this effort, Professors Iravani and Van Oyen are among the co-editors of a special issue of the journal *IIE Transactions* entitled "Special Issue on Workforce Agility".

In a separate NSF-funded project Professor Van Oyen and Professor Wallace Hopp of Northwestern University and their graduate students and industrial collaborators have made a number of important contributions. They have developed the first comprehensive framework for evaluating production and service environment with respect to their potential for using workforce agility to improve system performance. They also have

modeled a variety

of production systems in which workers are cross-trained to cover multiple tasks and have found strong evidence that the strategy of building a skill chain has superior operational characteristics when compared to traditional approaches that seek to invest skills at bottleneck stations. In addition they have examined the factors that enhance the *opportunity* for cross training. They have found that high utilization, high variability, and balanced capacity are the key factors that make a system amenable to major improvement via workforce agility.

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A more complete listing of recent research by SBA faculty members may be found in the annual *School of Business Administration Faculty Publications and Papers Presented at Professional Meetings, February 2002* (www.sba.luc.edu/research/faculty).

Select publications are displayed in the Research Showcase on the second floor of 25 East Pearson.

*School of Business Administration Research
Committee Newsletter*

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..... and Chaim Ehrman
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