

LOYOLA UNIVERSITY CHICAGO
School of Business Administration
RESEARCH NEWSLETTER
Volume 6, Issue 1 ▼ ▼ ▼ Spring 2004

***Arup Varma is Researcher
of the Year***

Arup Varma, Associate Professor (Institute of Human Resources and Industrial Relations) received his undergraduate degree in Economics (with honors) from St. Xavier's College (Calcutta, India), a Master's in Human Resources and Industrial Relations from Xavier Labor Relations Institute (India), and his Ph.D. in HR/IR from Rutgers University.



Prof. Varma

Arup joined Loyola's Institute of Human Resources and Industrial Relations in 1996 as an Assistant Professor. He was promoted to Associate Professor in 1999.

Arup's research is primarily geared towards understanding the workplace experiences of under-represented groups, and supervisor-subordinate relationships. His dissertation looked at the performance evaluation of individuals with disabilities. Recently, he has been studying the selection and performance evaluation of women and minorities for expatriate assignments.

Dr. Varma has published some 35 papers and book chapters, and presented over 40 papers at national and international conferences. His research has been published in such top journals as *Academy of Management Journal*, *Journal of Applied Psychology*, *Personnel Psychology*, *Journal of World Business*, *Human Resource Management*, *Organizational Development*

Journal, *Dispute Resolution Journal*, and *Human Resource Management Review*, among others.

While pursuing his Ph.D. at Rutgers' School of Management and Labor Relations, Varma was invited to teach Master's level courses. He is frequently invited to speak to practitioner forums, such as the Society for Human Resource Professionals and the Society for Human Resource Management. In 2003, Arup was honored with the LUC Graduate School of Business "Faculty of the Year Award."

John R. Boatright, the Raymond C. Baumhart, S.J., Professor of Business Ethics, has written a paper titled "Individual Responsibility in the American Corporate System: Does Sarbanes-Oxley Strike the Right Balance?" Prepared for presentation at a conference at the University of Minnesota on "Ethics in Financial Services after Sarbanes-Oxley," this paper examines the provisions of the Sarbanes-Oxley Act that attempt to place greater responsibility on corporate executives to prevent securities fraud. The paper argues that, overall, responsibility is better placed on the corporation and its shareholders rather than on individual executives. Dr. Boatright has also completed a book chapter, "Conflict of Interest in Financial Services: A Contractual Risk-Management Analysis," as part of a project of the Hastings Center on conflicts in biomedical research. The purpose of this work is to use insights from financial services to develop means of handling conflicts of interest in medicine and the pharmaceutical industry. The book chapter was developed from a presentation made at the Hastings Center in April 2003.



**Prof.
Boatright**

Professor Louis Cain's (Economics) paper, "Public Goods Provision: Lessons from the Tellico Dam Controversy" was published in the *Natural Resources Journal*, Fall 2003. This paper argues that the

exemption of the Tellico Dam, a local project with little expected net benefit, from 1978 amendment to the Endangered Species Act of 1973 (ESA), was due to broader economic considerations. Comparisons with aggregated environmental votes in the same year highlight the intensity of economic considerations in the Tellico case. Professor Cain's analysis of the Tellico case imply the ESA's prohibitions have worked successfully to give weight to nonquantifiable and dispersed benefits in the face of concentrated and visible costs.

Professor Cain's paper "Those Peculiar Sports Leagues: An Economic History of TransAtlantic Contrasts" has been accepted for presentation to the World Cliometrics Conference in Venice, Italy, in July 2004. Preliminary versions have been presented at DePaul and Northwestern. This paper shows that while the emergence of the first professional athletes followed similar paths in Europe and North America; the emergence of the first professional sports leagues did not. In Europe, following English football (soccer), a system of promotion and relegation was adopted. In North America, following American baseball, leagues became closed corporations. This paper attempts to explain that divergence as the historical consequence of differences in market size, transportation costs, and industrial organization.

Finally, Professor Cain is an area editor for the *Oxford Encyclopaedia of Economic History* (New York: Oxford University Press, 2003) in which he authored several articles including "Chicago." In November 2003, he presented "History for the Present: The Oxford Encyclopedia of Economic History," at the annual meeting of the Social Science History Association in Baltimore, MD. Lou Cain was recently named an associate editor of the Macmillan *History of World Trade since 1450*.

Dawn Harris, Associate Professor (Management) presented a paper, "The Board of Directors and CEO Selection: Social Capital, Human Capital, and Cognition" (with Constance Helfat, Dartmouth College), in a plenary panel titled



Prof. Harris

Tracing the Impact of High Impact Work in Organization Science at the Organization Science Winter Conference 2004 in February. She also attended the Association of American Colleges and Universities Conference on practicing liberal education-deepening knowledge, pursuing justice, and taking action in January.

Nenad Jukic, Assistant Professor (ISOM), together

with Prof. Svetlozar Nestorov from the University of Chicago gave a three hour presentation at 37th Hawaii International Conference of System Sciences (sponsored by IEEE) at Big Island, HI, in January of 2004.

The presentation was titled: "Business Intelligence Foundation: Data Warehousing and Data Mining." This talk described Business Intelligence as a broad discipline whose main purpose is to support fact-based business decisions, with special emphasis on the core business intelligence technologies: data warehousing and data mining. The talk give an overview of methods used to successfully gather and organize information in data warehouses, and then analyze, understand, and act on such information by using OLAP and data mining techniques.



Prof. Jukic



Prof. Kaefer

Frederick Kaefer, Assistant Professor (ISOM), has recently had a paper titled "Business Technology Complementarities: Impacts of the Presence and Strategic Timing of ERP on B2B E-Commerce technology efficiencies," (with

Elliot Bendoly, Emory University) accepted for publication in the journal *Omega: The International Journal of Management Science*. This paper studies how enterprise resource planning (ERP) implementations potentially complement the use of business-to-business (B2B) e-commerce technologies. The empirical analysis of 115 firms shows that perceived transactional efficiencies are greater for B2B e-commerce technologies in the presence of ERP, and are magnified when ERP implementation specifically precedes B2B e-commerce initiatives.

George Kaufman, John F. Smith, Jr., Professor of Finance and Economics and Director of the Center for Financial and Policy Studies

presented a presidential address titled "Basil II: The Roar That Moused" at the North American Economics and Finance Association annual meeting in San Diego in January 2004



Prof. Kaufman

He also presented his paper "Resolving Bank Insolvencies" at the Economic Forum of the International Monetary Fund, Washington, D.C., on December 16, 2003.

Kaufman chaired the quarterly meetings of the Shadow Financial Regulatory Committee in Washington, D.C. in December 2003 and February 2004.

He edited Volume 15 of the book series *Research In Financial Services: Market Discipline In Banking*, 2003, and published "Netting, Financial Contracts, and Banks: The Economic Implications" as a chapter in the book (co-author with William Bergman, Robert Bliss, and Christian Johnson).

His other most recent publications include "Bank Procyclicality, Credit Crunches, and Asymmetric Monetary Policy Effects," *Journal of Applied Finance*, (co-author with Robert Bliss), Fall/Winter 2003, and "Too Big To Fail In U.S. Banking: Quo Vadis?" in B. Gup, ed., *Too Big To Fail*, 2003.

Professor Kaufman spent March and April of 2004 in New Zealand on a fellowship from the Reserve Bank of New Zealand and the University of Victoria.

Mary Ann McGrath, Professor (Marketing) and Director of the MSIMC Program and **Anne H. Reilly, Professor (Management)** jointly presented a paper at the Western Region Organizational Behavior



Teaching Conference at Pepperdine University (Malibu, CA) in February 2004. The paper, entitled "Innocents Abroad: Making Cross-Cultural Research Workable," discusses the student research project.

Professors McGrath and Reilly use this during their summer Rome program MBA course (including their upcoming Maymester 2004

T: Prof. McGrath;
B: Prof. Reilly

class). This project format encourages students not only to learn and apply the factors related to cross-cultural differences, but also to immerse themselves in a foreign culture during a relatively brief stay abroad. Variations of this student project may be employed in multiple cultural and intra-cultural formats.

David Merriman, Professor (Economics), served as the Program Chair for the 96th Annual meetings of the National Tax Association held in Chicago in November. This three-day conference included more than one hundred scholars and practitioners, and is the organization's largest and most significant annual event.



Prof. Merriman

Merriman continues to work in state and local public finance. The Washington, D.C.-based Urban Institute published his paper "Social Program Spending and State Fiscal Crises" (jointly with Kenneth Finegold, Stephanie Schardin, Elaine Maag, Rebecca Steinbach and Alan Weil) in November. The paper (available at <http://www.urban.org/>) reports on case studies of six state's reactions to the fiscal crisis that began in 2001. Merriman will present his paper "Does Tax Increment Financing (TIF) Cause Gentrification?" (jointly with Rachel Weber and Saurav Dev Bhatta) at the Urban Affairs Association annual meetings in Washington, D.C. in April.

John Nicholas, Professor (ISOM) recently had his textbook *Project Management for Business and Engineering* published by Elsevier. The book is a second edition of a text sold world wide and first published in 1989. He is also nearing completion of a book about lean production, co-authored with a manager who has been implementing aspects of the Toyota Production System in his factory for 20 years. The book describes the manager's experiences, and explains the concepts and techniques of lean production and TPS

Mark Van Oyen, Associate Professor (ISOM) published the paper "Benefits of skill-chaining in production lines with cross-trained workers" with Wallace Hopp and Eylem Tekin in the 50th Anniversary Issue of *Management Science*. Many faculty with

operational interests will be familiar with Eliyahu Goldratt's best selling book "The Goal." In this paper, we took Goldratt's core strategy of focusing on management of the production bottleneck and we applied it to the use of worker cross-training as a mechanism for increasing the bottleneck capacity and balancing a production line's capacity. In stark contrast to this commonly practiced approach (which we term cherry-picking), our paper considers a cross-training strategy based on the notion of intentionally investing in production system flexibility using a cross-training strategy termed *skill chaining* that has a high level of flexibility while being frugal with the number of skills added to the line. Our comparison shows that skill chaining strategies have the potential to be robust and efficient methods for implementing workforce agility in serial production lines, and they are usually preferable to the conventional approach of cherry-picking. Skill chaining performs robustly well across a variety of simple queue-length based

policies. This suggests that the coordination policy can be selected to fit worker preferences or other practical system considerations without significant performance loss. The flexibility created by skill chaining is so substantial that the throughput for a given WIP level does not exhibit diminishing returns to the number of skills added. Instead, skill chaining frequently yields the greatest marginal benefit from the addition of the final skill required to complete the chain, even though this skill trains the bottleneck worker to help out at a nonbottleneck station. While interesting and a departure from traditional thinking, this approach is not a panacea, because it is only suited to systems for which a chaining pattern of cross-training is practical. Nevertheless, the approach is likely to find many applications. For example, these ideas have impacted assembly operations at Ruud Lighting, based on interactions with Chris Ruud, a member of our second Executive MBA class at Carthage.

Published by the Research Committee of the School of Business Administration

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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 2004 at:

www.sba.luc.edu/research/faculty

Faculty working papers may be found at:

www.sba.luc.edu/research/papers

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