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## Celebrating Our Newest Faculty's Research Publications

Since Fall 2017, the Lewis College of Business has hired 10 outstanding new tenure-track faculty members to replace faculty who had left or retired. Our newest faculty members are:

- Shuqin (Monica) Wei and Tyson Ang (Marketing)
- Kevin Knotts and Jingran Zhang (Management)
- Timothy G. Bryan and Casey Baker (Accountancy & Legal Environment)
- Yi Duan, Bo Feng, and Nabaneeta Biswas (Economics)
- Boniface Yemba (International Business)

This report highlights sample abstracts of scholarly peer-reviewed publications from our newest faculty since they joined Marshall, which demonstrate a high level of intellectual curiosity with an optimal blend of rigor and relevance. Collectively, this cohort of newest faculty has published 17 peer-reviewed journal articles, eight of which have appeared in highly prestigious journals ranked "A" in ABDC 2019 Journal Ranking. Their research quality and productivity strongly support an upward research trajectory of Marshall University and its Brad D. Smith Schools of Business.

In 2019, for the first time in its history, Marshall University was designated as an "R2" research institution by the Carnegie Classification of Institutions of Higher Education. This designation places Marshall among the top six percent of college and universities in the nation, and is the second-highest classification an institution can receive from the organization. Carnegie surveyed more than 4,000 universities and put 139 in the R2 category, which includes universities that confer at least 20 research/scholarship doctorates annually and spend a minimum \$5 million per year on research. Marshall joins universities like Baylor, Wake Forest, SMU, Memphis and Lehigh in the R2, or Doctoral University: High Research Activity, category. Also, the Brad D. Smith Graduate School of Business now offers a rich portfolio of graduate programs, including two doctoral programs (DBA and DNAP) and five masters programs. Our Business faculty's research create lasting impact, with the collective research citation score (Google Scholar®) for our faculty well exceeding 10,000.

### Shuqin (Monica) Wei, PhD and Tyson Ang, PhD

**Wei, S., Ang, T., Liou, R. (2020).** "Does the global vs. local scope matter? Contingencies of cause-related marketing in a developed market." *Journal of Business Research*, 108(1), 201-212 (ABDC 2019 Journal Ranking A).

Many multinational corporations (MNCs) have adopted cause-related marketing (CRM) to improve their market positions, but CRM effectiveness in the international business context is less understood. Particularly, the findings on how the cause scope (global vs. local) impacts consumer responses to CRM have been mixed. Informed by social impact theory, this research examines how the cause scope interacts with the MNC's origin (emerging vs. developed markets) and the host market consumers' cultural orientation (individualism vs. collectivism) to influence perceived consumer effectiveness (consumers' perceptions of their purchase impact), and consequentially purchase intention.



Across two studies using U.S. consumers, this research found that a local-scoped CRM strategy works more favorably than does a global-scoped CRM strategy for MNCs originated from emerging economies. Further, collectivistic consumers tend to favor a local-scoped cause than a global-scoped cause, suggesting that a nuanced understanding of subgroup cultural differences is needed in devising an effective international CRM strategy.

**Wei, S., Ang, T., Anaza, N. A. (2019).** "Recovering co-created service failures: The missing link of perceived justice and ethicalness." *Journal of Services Marketing*, 33(7), 921-935 (ABDC 2019 Journal Ranking A).

Drawing on the fairness theory, this paper aims to propose a conceptual framework that investigates how co-creation in the failed service delivery (coproduction intensity) and co-creation in the service recovery affect customers' evaluation of the firm's competence, justice and ethicalness, and ultimately their willingness to co-create in the future. Tax services were chosen as the research context. A consumer panel consisting of individuals who live in the USA and have used tax preparation services within the past year was recruited. The first study explores what happens to customers' ethical perceptions during a failed co-created service encounter. A secondary study investigates what happens to customers' ethical perceptions in the event that the failed co-created service is recovered. The findings show that customers' perceptions of the firm's abilities and ethics are impeded by coproduction intensity but favorably influenced by co-creation of recovery.

**Bagherzadeh, R., Rawal, M., Wei, S., Saavedra, J.L. (2020).** "The journey from customer participation in service failure to co-creation in service recovery." *Journal of Retailing and Consumer Services*. (ABDC 2019 Journal Ranking A).

Customer participation is growing into a widespread phenomenon in the service context. Despite the inherent significance of customer expectations to service failures in the high-participation service context, scant research exists on studying the link among customer participation, customer expectation of service recovery, and service outcomes (e.g., word-of-mouth or WOM). Even more pressing is the lack of research on the type of service recovery that can countervail the inflated customer expectation of service recovery and restore service outcomes. This research demonstrates that high contribution of customers in the beginning of service provision procedure leads to high recovery expectations and low satisfaction. The results also support that co-created service recovery (CCS-R), as contrasted to firm and customer recoveries, has a greater positive effect on satisfaction. Further, the contrasting impacts of each service recovery type on positive and negative WOM are presented. An experiment was conducted using service failure and recovery scenarios. Regression analysis was used to test the hypotheses. The current research has some important implications for scholars and managers who wish to effectively recover failed high-participation service encounters.



## MONDAY MORNING MEMO

from Dean Avi Mukherjee

Casey Baker, JD

**Baker, C. W. (2019).** "Abuse prevention or consumer protection: Trends in consumer bankruptcy filings and state level wage garnishment exceptions post-BAPCPA." *Business & Bankruptcy Law Journal*, 6, 1.

This article examines the overall impact of the Bankruptcy Abuse Prevention and Consumer Protection Act ("BAPCPA") on consumer bankruptcy filing rates and compares the different state approaches for consumer wage garnishment exemptions to determine whether any trends emerge. Consumer wage garnishments are frequently identified as a major factor in a consumer's decision to pursue bankruptcy relief. Yet, little scholarship exists on the impact of various state wage garnishment approaches following the adoption of BAPCPA in 2005.

Stronger state-level garnishment exemptions have generally correlated to lower bankruptcy filing rates. BAPCPA, the most dramatic reform of U.S. bankruptcy law in at least three decades, forced higher-earning consumers away from Chapter 7 bankruptcy relief and into Chapter 13 repayment plans. Since both wage garnishment and Chapter 13 plans require periodic payments from debtors to service debt, one would expect the correlation between Chapter 13 filing rates and garnishment exemptions to be stronger than the correlation between Chapter 7 filing rates and garnishment exemptions.

The information examined in this article suggest that although state garnishment exemptions still correlate to relative statewide bankruptcy filing rates, changes in state-level garnishment exemptions have had limited impact post-BAPCPA. Thus, the impact of garnishment exemptions on bankruptcy filing rates has diminished since pre-BAPCPA. Accordingly, state policymakers should look beyond wage garnishment exemptions to protect consumers and reduce bankruptcy filing rates.

**Baker, C. W. (2019).** "Marijuana's continuing illegality and investors' securities fraud problem: The doctrines of Unclean Hands and In Pari Delicto." *Journal of Business, Entrepreneurship, and the Law*, 12(1/4), 93-118.

Marijuana-related businesses have blossomed into an industry with an estimated total market value of \$7.2 billion in 2016, with annual growth projected at 17%. Industry surveys report that 62% of marijuana-related businesses have offered equity stakes to investors and approximately one-half of marijuana-related businesses planned to actively seek investment funding in 2017. Along with the investment opportunity comes heightened fraud risk, with regulators cautioning investors against investment due to the lack of accurate and publicly-available information. Also, despite state-level decriminalization, marijuana possession, sale, and distribution continues to be a crime under federal law. The criminal nature of the marijuana industry can have ripple effects on investors, even if never prosecuted. This paper explores the risks to investors presented by the similar but distinct doctrines of unclean hands and in pari delicto, both of which provide that a court should not allow a person engaged in wrongful conduct to profit therefrom.



Because marijuana-related businesses are criminal enterprises, the doctrines may bar investors from pursuing civil actions for securities fraud or other misconduct. Existing case law does not provide sufficient guidance to courts in resolving the potentially competing policies of securities law enforcement and controlled substance enforcement. This article therefore proposes a two-step analysis for courts that would encourage courts to ascertain whether lawmakers have articulated a clear legislative policy preference when applying unclean hands and in pari delicto to criminal conduct. If there is not a clear policy preference, courts should allow the fraud suit to proceed.

**Baker, C. W.** (2019). "Tax law and 100 years of New York Giants season tickets: A multifaceted analysis of one fan's fortune." *Sports Lawyers Journal*, 27.

For analysis of the tax practitioners, educators, and researchers, the world of sports provides a bevy of opportunities to ponder the particulars of the profession. In the spring of 2019, the National Football League ("NFL") provided yet another opportunity to use sports to explore various aspects of tax law. On April 25, 2019—the opening night of the 2019 NFL Draft—the NFL named Greg Hampton, of Williamsburg, Virginia, its "Fan of the Century." Just as the home run chases of the 1990s and 2000s generated substantial tax consequences for the fans catching record-setting balls, tax professionals may take an extra interest in Hampton's case, as it presents a new variant on the "lucky" taxpayer who may second-guess his fortune once the taxing authorities have their say. This article will analyze some of the relevant tax issues, such as income recognition rules, estate and gift tax concepts, and state tax and nexus issues, with the hope that practitioners and educators may be able to apply and incorporate the lessons learned into their work. The variety of different tax issues raised by the facts makes Hampton's situation an excellent teaching case and reference for understanding how complex the American tax system can be at times.

**Baker, C. W.** (in press). "Attorney-client sexual relationships in the #metoo era: Understanding current state approaches and working towards a better rule." *Southwestern Law Review*, 49, forthcoming.

Attorneys play a critical role in remedying the problem of sexual assault in American industry, but the legal profession does not consistently police itself regarding such issues. In 2002, the American Bar Association established a model ethical rule prohibiting attorneys from entering into sexual relationships with a client unless the sexual relationship existed at the time the attorney-client relationship began. As of 2019, twenty states plus the District of Columbia have failed to adopt the model rule or substantially similar prohibitions. Furthermore, only eight states by rule address sexual relationships between attorneys and constituents of organizational clients. State ethics rules are also inconsistent as to evidentiary burdens and presumptions regarding the impropriety of sexual relationships. This research examines the approaches of each of the fifty states plus the District of Columbia to develop an express regulatory approach that is more consistent with ethical principles and duties generally.



Kevin Knotts, PhD

Carnes, A. M., Knotts, K., Munyon, T., Heamers, J., Houghton, J. (2019). "Think fast: The role of thin slides of behavior in employee selection decisions." *International Journal of Selection and Assessment*. (ABDC 2019 Journal Ranking A).

This study integrates past research addressing decision-making, employee selection, and influence processes in an attempt to provide both a theoretical and empirical foundation for future research addressing initial impressions throughout the interview process. Using data from a simulated hiring situation comprised of 28 recruiters and 229 applicants, the results suggest that initial impressions formed at the beginning of the interview make a substantive impact on final impressions. However, impressions formed at the career fair do not appear to impact final impressions without considering the interactive effects of decision confidence. Hypotheses proposing that decision confidence would moderate linkages between initial impressions formed at the beginning of the interview and both interview scores and final impressions were not supported. We discuss the theoretical and practical implications of these findings for selection.

Carnes, A. M., Knotts, K. (2018). "Control and expectancy: Locus of control as a predictor of psychological entitlement." *Employee Responsibilities and Rights Journal*, 30, 81-97.

Utilizing Vroom's (1964) Expectancy Theory as a foundation, we suggested that locus of control has a significant impact on psychological entitlement. An additional hypothesis suggested that self-monitoring moderates the relationship between external locus of control and entitlement. After analyzing data from 173 participants, results provide strong support for the assertion that internal locus of control is a negative predictor of entitlement perceptions, while external locus of control increases entitlement beliefs. Results addressing the moderation hypothesis also show that there is a significant interaction between external locus of control and self-monitoring, such that higher levels of self-monitoring strengthened the external locus of control to entitlement belief relationship. These findings provide insight into the entitlement formation process and provide guidance for future research aiming to produce a comprehensive model of entitlement formation.

Kazan, A. L., Knotts, K., Houghton, J. D., Neck, C. P. (2018). "Self-leadership and action state orientation: The role of vertical and horizontal individualism." *Journal of Leadership and Management*, 12, 90-101.

Two studies were conducted to examine the relationship between self-leadership and action-state orientations. Study 1 applied confirmatory factor analyses to data from a U.S. sample to examine the discriminant validity between the two constructs. Results indicate that self-leadership and action-state orientation are indeed two separate constructs. Study 2 advanced and tested hypotheses examining the roles of horizontal and vertical individualism in moderating the relationship between self-leadership and action-state orientation. Analyses of data from 154 Brazilian subjects provide support for the hypothesized relationship between self-leadership and action-state orientation. Furthermore, the results provide support for the role of horizontal individualism as a moderator of the self-leadership to action-state orientation relationship. The implications of the findings of this study are discussed along with directions for future research.



## MONDAY MORNING MEMO

from Dean Avi Mukherjee

Timothy G. Bryan, DBA

Lynch, S. R., Bryan, T. G., Kocakilah, M. C. (2018). "Effects of absenteeism on company productivity, efficiency, and profitability." *Journal of Business Economics Research*, 8(1), 115-135.

As the age of the 9 to 5 workday comes to close and employment situations become more and more complex with the rise of ever-growing technology, employers are experiencing ever-increasing costs of absenteeism. The purpose of this research paper is to answer the general question of how absenteeism affects a company's productivity, efficiency, and profitability. We seek to assist a company in understanding what absenteeism is, how to determine whether or not an absenteeism problem exists in the company, and how to recognize and eliminate issues related to absenteeism. Specific causes of absenteeism will be discussed, along with respective solutions that some companies are using to deal with these issues. We will conclude with a consideration of how companies can implement specific, company-wide policies and organizational culture to attempt to combat absenteeism in the workplace.

Yi Duan, PhD

Duan, Y., Demir, F. (2018). "Bilateral FDI flows, productivity growth, and convergence: The north vs. the south." *World Development*, 101, 234249 (ABDC 2019 Journal Ranking A).

Controlling for the aggregation bias in FDI flows and the home and host country heterogeneity within and between Northern and Southern countries, the authors explore the effects of bilateral FDI flows on host country productivity growth, and on the productivity convergence dynamics between the host and the productivity-frontier country. Using bilateral FDI flows' data from 108 host and 240 home countries over 1990–2012, and employing a variety of estimation techniques together with a rich battery of robustness tests, the authors find no significant effect of bilateral FDI flows on either host country productivity growth or on the productivity gap between the host and the frontier country. We also show that these findings are not sensitive to the direction of FDI flows. In a decomposition exercise, the authors also fail to find any significant effect of bilateral or aggregate FDI flows on physical capital growth. Yet, the authors find some evidence of a positive effect of FDI flows on human capital growth but just in one direction, South-South. Last but not the least, the research fails to find any productivity growth or convergence effect at the sectoral level, including agricultural, industry, or services sectors.



Jingran Zhang, PhD

Onal, S., Zhang, J., Das, S. (2018), "Product flows and decision models in Internet fulfillment warehouses." *Production Planning & Control*, 29, 791-801 (ABDC 2019 Journal Ranking A).

Internet Fulfillment Warehouses (IFWs) present a new operational model in the design and control of warehouses. IFWs operate with new paradigms, specifically, the use of an explosive storage policy combined with commingled storage are key features in achieving fast fulfillment. We document and present the process, data, and decision flows of IFW operations. The flows were synthesized from an observational study at the largest IFW operator. Detailed flows are presented for: (i) receiving and stocking (ii) order picking and consolidation and (iii) truck assignment and loading. The key contribution of this paper is introducing new warehousing models that are unique to fulfillment facilities, which stock thousands of different products and process a very large number of small quantity customer orders. Multiple flow control and decision optimisation problems can be formulated from the operational models. Five specific problems are introduced, each focusing on the online retailing objective of fast fulfillment.

Zhang, J., Onal, S., Das, S. (2019), "The dynamic stocking location problem – Dispersing inventory in fulfillment warehouses with explosive storage." *International Journal of Production Economics* (ABDC 2019 Journal Ranking A).

Online order fulfillment warehouses (F-Warehouses) are a critical component of the physical internet. F-Warehouses convert online customer orders into physical delivery packages with an operational goal of fast fulfillment. Structurally F-Warehouses are unlike traditional warehouses and the key differentiators are a very large number of small bin locations, an explosive storage policy, and commingled bin storage. In explosive storage, an incoming bulk is separated into small lots which can be stocked in any bin throughout the warehouse. As orders flow in, this inventory dispersion increases the probability that a picker can locate multiple ordered items within a short distance. The dynamic stocking decision then is, where to stock the arriving inventory lots, such that picking algorithms can generate more efficient picklists and achieve the fast fulfillment goal. The paper presents first, an objective function for the dynamic stocking location problem and then formulates it as a mixed-integer program. The objective is a function of the weighted order fillability of each bin and models' item-to-item order correlations. Two heuristics that solve the problem in a time-efficient manner are developed. Both heuristics performed well, with one providing a solution within 10% of the MIP solution 82% of the time. Using a database driven simulator, experimental runs were conducted on a problem with 22,000 orders. The results show the proposed stocking objective and associated heuristic reduced fulfillment time by 6.69%–11.19% relative to a segmented random rule. Performance improved by as much as 3.4% when the stocking bandwidth was increased from 20 to 40, while fulfillment time declined consistently with an increasing explosion ratio.



## MONDAY MORNING MEMO

from Dean Avi Mukherjee

**Zhang, J., Onal, S, Das, R., Helminsky, A., Das, S. (2019), "Fulfilment time performance of online retailers – an empirical analysis." *International Journal of Retail & Distribution Management*, 47(5), 493-510 (ABDC 2019 Journal Ranking A).**

Fast fulfilment is a key performance measure in online retail, and some retailers have achieved faster times by adopting new designs in their order fulfilment infrastructure. This research empirically confirms and quantifies the fulfilment time advantage that Amazon has achieved, relative to other online retailers. The purpose of this paper is to investigate three research questions: what is the overall mean fulfilment time difference between the new logistics designs of Amazon and the alternative designs of other retailers? For each order what is the distribution of the fulfilment time difference? What is the difference in fulfilment time by product category, price and size? This research uses an empirical method to evaluate the fulfilment time performance of consumer orders made through the Amazon website and one or more competing online retailers. For 1,000 different products, two fulfilment times, one at Amazon and another at a competing omnichannel retailer, are recorded. The analysis is then focused on the comparison between this paired data. The research confirms that the new logistics methods, including physical facilities, distribution networks and intelligent order processing methods, have resulted in faster order fulfilment times. The performance, though, is not universally dominant and for 33 per cent of orders, the difference is 1 day or less. The fulfilment time difference varied by product, category, price or size. The ongoing transformation of fulfilment and logistics operations at online retailers has generated several new research questions. This includes the need to confirm the fulfilment efficiency of the new designs and specify time targets. This paper identifies the fulfilment time gap between new and traditional operations. The results suggest that store-based or distribution centre-based fulfilment strategies may not match the new designs. The study provides a quantitative analysis of the fulfilment time differentials in online retailing. The critical role of fulfilment logistics in the rapidly growing online retail industry can now be better modelled and studied. The survey method representing a single buyer allows for order pair equivalency and eliminates order bias. The results suggest that new warehousing and logistics designs can lead to significantly faster fulfilment times.





**Boniface Yemba, PhD**

**Yemba, B., Tang, B., Kitenge, E., & Nsumbu, J. (2019).** "Divisia monetary aggregate and monetary transmission mechanism in the Democratic Republic of Congo (DRC)." *Applied Economics Letters*.

While the majority on the effectiveness of monetary policies focus on either interest or money channels, we analyze the effectiveness of a composite monetary instrument: The Divisia Aggregate Index (DMAI). Dynamic effects of the DMAI on other economic factors is analyzed through the Factor Augmented Vector Autoregressive model (FAVAR). The latter address the potential arbitrary selection of variables to incorporate in a standard VAR model, and is built from the ability of factor analysis to summarize a very high number of variables into few factors. The FAVAR is applied to monthly data over the period 01:1996-12:2017 from the Democratic Republic of the Congo. Our empirical results reveal that the DMAI outperforms other monetary policy instruments that use separately interest or money channels, in boosting output and triggering price stability.

**Yemba, B., & Boubacar, I. (2018).** "On the merit of debt relief programs in heavily indebted poor countries". *Economics Bulletin*, 38, 940-956.

Although the HIPC Initiative is nearly complete, its merit is still being debated among policymakers as well as academicians. Debt relief under the Initiative was intended to help beneficiary countries achieve the Millennium Development (MDG) goals. Using four key indicators of development, this paper assesses the impact of HIPC Initiative on countries that achieved the completion point. Our results, based on dynamic panel model estimations provide supporting evidence indicating the failure of the initiative to produce the expected outcome.