

Discovery *at* Carlson:

THE FACULTY RESEARCH MAGAZINE



CARLSON SCHOOL
OF MANAGEMENT

UNIVERSITY OF MINNESOTA



World-class Carlson School
faculty uphold our rich tradition
of research excellence.

#10

in the World in Business
School Research Rankings

UNIVERSITY OF TEXAS, DALLAS

#3

in Management among
U.S. Public Universities

GLOBAL RANKING OF ACADEMIC SUBJECTS

100+

journal articles published or
accepted in the last school year

42

endowed chairs
and professorships

#8

Management Department
Productivity Rankings

TEXAS A&M UNIVERSITY/
UNIVERSITY OF GEORGIA



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Dear *Colleagues*,

To research is to investigate materials and establish facts to reach new conclusions. It is with these new conclusions our faculty members aim to broaden the scope of their respective fields to create real-world business impacts.

I am honored to provide leadership and support to our faculty's research endeavors at the Carlson School of Management. I applaud their dedication, knowing countless hours of study, analysis, and collaboration make all of this possible.

In this issue of *Discovery at Carlson*, I share with you highlights of our faculty's world-class research efforts. From publications in leading journals and award-winning research to notable grants tackling critical issues, our faculty strive to elevate business research to new heights.

Please feel free to contact me at gupta037@umn.edu.

PROFESSOR ALOK GUPTA

*Senior Associate Dean of Faculty, Research,
and Administration*

Curtis L. Carlson Chair in Information Management

Understanding *Inequality*

BY KATIE DOHMAN



What role can investors play in addressing inequality? A large one, according to recent research from Tracy Wang, the John Spooner Professor of Finance.

Following a new requirement for public companies to disclose the ratios of pay between CEOs and workers in 2018, Wang and her colleagues studied the initial investor reactions. The paper, “Do Equity Markets Care about Income Inequality? Evidence from Pay Ratio Disclosure,” was recently published in the *Journal of Finance*.

Professor Wang’s research is the first to suggest that a significant fraction of investors, including institutional investors, dislike income inequality. Her research finds that firms disclosing higher pay disparities between CEOs and rank-and-file employees experienced significant value reductions after their pay ratio disclosures. The valuation effect is driven by inequality-averse investors rebalancing their portfolios away from stocks of firms with high disclosed pay ratios.

Wang, also the chairperson of the Finance Department, notes that this research, and others, suggests the growing presence of investors concerned about pay disparity and income inequality—through portfolio decisions and impact on firms’ valuations—could lead to changes in corporate culture and policies that help restrain inequality, complementing political and other forces tackling this challenge.

Related Research on *Inequality*

Professor Avner Ben-Ner
Paper: “A Sectoral Comparison of Wage Levels and Wage Inequality in Human Services Industries”
Journal: *Nonprofit and Voluntary Sector Quarterly*
Published: August 2011

Takeaways:

- Compared to for-profit organizations, nonprofit and local government organizations are less likely to provide financial incentives;
- Pay lower or higher compensation to their employees, depending on multiple factors; and
- Have less wage inequality.

Assistant Professor Sofia Bapna
Paper: “Gender Gaps in Equity Crowdfunding: Evidence from a Randomized Field Experiment”
Journal: *Management Science*
Published: May 2021

Takeaways:

- Gender gaps observed in traditional equity financing are ameliorated in equity crowdfunding.
- In low-stakes crowdfunding, inexperienced female investors are significantly more interested in ventures with female founders than those with male founders.
- In high-stakes crowdfunding, investor experience serves as a contingency that reduces female investors’ preference for female founders.

Understanding *Social Influence and Behavior*

BY CHRIS MIKKO



While there’s no shortage of research as to why conspiracy theories develop, there’s been little study on what might cause them to fade.

Professor Kathleen VoHS explores this in new research, “Do Voting and Election Outcomes Predict Changes in Conspiracy Beliefs? Evidence from Two High-Profile U.S. Elections,” published recently in the *Journal of Experimental Social Psychology*.

VoHS, Land O’Lakes Professor in Marketing and Distinguished McKnight University Professor, along with Carlson PhD student Sangmin Kim and colleagues, used the 2020

U.S. Presidential election and 2021 Georgia Senate runoff as test cases. The team surveyed adults to see if they voted in the races and if their preferred candidates won or lost. Exploring both facets—voting and election results—allowed researchers to explore different psychological motives. Their findings suggest that voting can satisfy the need to feel a sense of control. And if the election turned out as hoped? That confirms they were right to support their party or candidate.

The researchers found that conspiracy beliefs diminished mainly when people’s preferred candidate won, especially so among people who voted. VoHS suggests people’s sense that they have control over important outcomes in their life and the sense that others share their political ideology can potentially serve as antidotes to conspiracy theories.

Related Research on *Social Influence and Behavior*

Associate Professor Gaoqing Zhang
Paper: “Accounting Manipulation, Peer Pressure, and Internal Control”

Journal: *The Accounting Review*

Published: January 2019

Takeaways:

- A firm’s manager manipulates more if he or she expects that peer firms’ reports are more likely to be manipulated.
- If one firm reacts to regulations by investing in better internal controls that reduce manipulation, peer firms follow suit.

Professor Rachna Shah and Professor Karen Donohue

Paper: “The Decision to Recall: A Behavioral Investigation in the Medical Device Industry”

Journal: *Journal of Operations Management*

Published: September 2018

Takeaways:

- The more detectable a product defect is to the physician, the less likely it will be recalled.
- Managers view physicians as trustworthy final quality inspectors who will screen out an easily detectable issue, removing the need for a recall.
- When managers better understand the root cause of a product failure, they’re more likely to recall.

Research in *Progress*

Here's a snapshot of two research projects, supported by notable grants, currently underway:



Transitioning Jobs Without a College Degree

Oftentimes, young adults without a college degree jump between low-wage jobs. A nearly \$400,000 National Science Foundation grant is powering research to better understand how different factors, such as social class and workplace practices, impact income and career progression for young adults who don't have college degrees.

Associate Professor Le (Betty) Zhou, Professor Connie Wanberg, and Assistant Professor Abdifatah Ali—all from the Work and Organizations Department—are working on the study in collaboration with the Minnesota Department of Employment and Economic Development and the New Jersey Department of Labor and Workforce Development.

The study will follow a pool of unemployed workers aged 18 to 29 without postsecondary degrees over the course of a year. The researchers will pair the participants' survey responses with administrative data to track how the participants find jobs and adjust to new jobs. The researchers aim to gain insight into strategies for workers to improve job quality and clarify how employers can facilitate workplace development and reduce turnover costs.



Analyzing International Capital Flows

A \$441,000 grant from the National Science Foundation is supporting research that will form greater insights on the motives, channels, and distortions that affect the map of international capital flows.

Finance Assistant Professor Juliana Salomao along with University of Minnesota economics Professor Loukas Karabarbounis aim to develop new economic frameworks to analyze the origins and consequences of capital allocation across countries.

Unlike previous research in the field, this study will use disaggregated data from the Federal Reserve System to match security-level information with data on investor characteristics and firm-level balance sheet data. The researchers aim to create a more comprehensive understanding of global asset holdings of U.S. investors and foreign U.S. liabilities and examine the impacts of increased capital flows for global financial markets.

Award-Winning *Faculty*

Carlson School faculty members received national recognition from a variety of associations recently for their contributions to their respective disciplines. Some of the honors include:

Professor Ravi Bapna

Best Publication of 2020 (awarded in 2022)
Association for Information Science

Assistant Professor Sofia Bapna

2021 Gordon B. Davis Young Scholar Award
INFORMS

Associate Professor Elizabeth Campbell

Best Article
Academy of Management Journal

Assistant Professor Kartik Ganju

2021 Gordon B. Davis Young Scholar Award
INFORMS

Professor Alok Gupta

Information Systems Society President's Service Award
Design Science Research Award
INFORMS

Professor Pinar Karaca Mandic

Design Science Research Award
INFORMS

Professor Alfred Marcus

Distinguished Scholar Award
ONE Division of Academy of Management

Assistant Professor Irene Nahm

Best Track Paper for Sales and Sales Management Track
2022 AMA Summer Academic Conference



45+

awards in the past school year

Associate Professor Soumya Sen

Design Science Research Award
INFORMS

Professor Pri Shah

Outstanding Publication in Organizational Behavior (OB)
Academy of Management OB Division

Professor Joel Waldfogel

Media Economics Award of Honor
Journal of Media Economics

Professor Connie Wanberg

2022 Best Paper Award
Personnel Psychology

4 New Tenure-Track Faculty Join Carlson School

Studying firms' boundary spanning-activities is especially fitting for Assistant Professor Xuege (Cathy) Lu as she holds degrees in multiple fields: journalism, public policy, and management. Before earning her PhD at Cornell University earlier this year, Lu served as a World Bank consultant focusing on climate change and sustainable energy access. Her work in this role drew her to explore ways firms can generate pro-social benefits.

DEPARTMENT: Strategic Management and Entrepreneurship

RESEARCH SPECIALTIES: Corporate sustainability and innovation

FUN FACT: Is a professionally trained pianist

“

I enjoy my research the most whenever I find ways to connect with practitioners and industry experts on the ground, especially moments when they relate to my work or when they spark insights that open up my way of thinking about strategy and organizations.

XUEGE (CATHY) LU



Assistant Professor Dayton Steele joins the Supply Chain and Operations Department after completing his PhD in Operations earlier this year at the University of North Carolina-Chapel Hill. His research projects include developing a deeper understanding of how the resale market impacts retailer pricing decisions.

DEPARTMENT: Supply Chain and Operations

RESEARCH SPECIALTIES: Retail operations, operations/marketing interface, innovative processes, empirical operations

FUN FACT: Won an outstanding teaching award at UNC

“

Retailers are uniquely positioned as a bridge between the customer and the production process. I enjoy working with companies to understand the interaction between supply and demand, particularly when retailers consider innovations where historical data may be limited in providing answers.

DAYTON STEELE



Working as a marketing manager and having to design a sales strategy made Assistant Professor Byungyeon Kim want to explore a deeper understanding of sales management. While earning his PhD in Business Administration at Harvard University, Kim analyzed how incentives, route-call planning, and price promotions affect salespeople's behavior.

DEPARTMENT: Marketing

RESEARCH SPECIALTIES: Sales management, personal selling, business-to-business marketing

FUN FACT: Recently became a dad

“

Salespeople serve as the face of an organization, and proper management of the sales force is the cornerstone for the growth and prosperity of sales-driven organizations. Through research, I seek to understand how sales management policy design impacts salespeople's behavior and focus on ways to better motivate them to achieve an organization's objectives.

BYUNGYEON KIM



Assistant Professor Semi Min joins the Carlson School after completing her PhD in Information Systems at New York University earlier this year. Her current research centers on understanding the diffusion of blockchain technology. Her study entails using natural language processing to complete an archival analysis on the discourse about blockchain to examine how expectations about the new technology were constructed and disseminated.

DEPARTMENT: Information and Decision Sciences

RESEARCH SPECIALTIES: Emerging technology, innovation, technology adoption

FUN FACT: Studied classical literature

“

I have been interested in how stories and narratives shape people's minds and behaviors. Some technologies, despite their advantages, take a long time to be adopted and used in society. I want to understand how narratives play a role in this process.

SEMI MIN



Tenure/Tenure-Track Faculty

ACCOUNTING

Associate Professor **Cyrus Aghamolla**
Assistant Professor **Salman Arif**
Professor **Vivian Fang** • Honeywell Professor in Accounting
Professor **Frank Gigler** • Curtis L. Carlson Chair in Accounting
Associate Professor **Michael Iselin**
Professor **Chandra Kanodia** • Arthur Andersen & Co./Duane R. Kullberg Chair in Accounting & Information Systems
Assistant Professor **Nan Li**
Assistant Professor **Paul Ma**
Assistant Professor **Joshua Madsen**
Professor **Pervin Shroff** • Frederick H. Grose Chair in Accounting • Department Chair
Associate Professor **Gaoqing Zhang** • Lawrence Fellow
Professor **Haiwen (Helen) Zhang** • Carl L. Nelson Professor in Accounting

FINANCE

Assistant Professor **Jacelly Cespedes**
Professor **Murray Frank** • Piper Jaffray Fellow in Finance
Professor **Robert Goldstein** • Piper Jaffray Chair in Finance
Professor **Xiaoji Lin**
Professor **Pinar Karaca-Mandic** • C. Arthur Williams Jr. Professor in Healthcare Risk Management
Assistant Professor **Erik Loualiche**
Professor **Stephen T. Parente** • Minnesota Insurance Industry Chair of Health Finance • Associate Dean, Global Initiatives
Assistant Professor **Juliana Salomao**
Professor **Rajdeep Singh** • Arthur Upgren Chair in Investment Management
Assistant Professor **Martin Szydlowski**
Assistant Professor **Richard Thakor**
Professor **Tracy Yue Wang** • John Spooner Professor of Finance • Department Chair
Assistant Professor **Colin Ward**
Professor **Andrew Whitman**
Professor **Andrew Winton** • Minnesota Chair in Banking & Finance

INFORMATION AND DECISION SCIENCES

Professor **Gediminas Adomavicius** • Larson Chair for Excellence in Business Education
Professor **Ravi Bapna** • Curtis L. Carlson Chair in Business Analytics and Information Systems
Assistant Professor **Sofia Bapna** • Lawrence Fellow
Assistant Professor **Xuan Bi**
Associate Professor **Jason Chan** • Lawrence Fellow
Professor **Shawn Curley**
Assistant Professor **Kartik Ganju**
Professor **Alok Gupta** • Curtis L. Carlson Chair in Information Management • Senior Associate Dean for Faculty, Research, and Administration
Professor **De Liu** • Xian Dong Eric Jing Professor for Business Teaching
Assistant Professor **Semi Min**
Professor **Gautam Ray** • Department Chair
Associate Professor **Yuqing Ren** • Lawrence Fellow
Associate Professor **Soumya Sen** • McKnight Presidential Fellow • Lawrence Fellow
Assistant Professor **Yicheng Song**
Associate Professor **Mani Subramani**
Assistant Professor **Mochen Yang**
Assistant Professor **Teng Ye**

MARKETING

Professor **Rohini Ahluwalia** • Curtis L. Carlson Trust Professor of Marketing
Professor **Mark Bergen** • James D. Watkins Chair in Marketing
Professor **Tony Cui** • Ecolab-Pierson M. Grieve Chair in International Marketing
Professor **Vladas Griskevicius** • Curtis L. Carlson Family Foundation Chair in Marketing • Associate Dean, Undergraduate Program
Associate Professor **William Hedgcock**
Professor **Deborah Roedder John** • Curtis L. Carlson Chair in Marketing
Professor **George John** • General Mills/Paul S. Gerot Chair in Marketing
Assistant Professor **Byungyeon Kim**

Assistant Professor **Irene Nahm**
Professor **Akshay Rao** • General Mills Chair in Marketing
Professor **Joseph Redden** • Curtis L. Carlson Chair in Marketing Analytics
Professor **Kathleen Vohs** • Land O'Lakes Chair in Marketing and Distinguished McKnight University Professor • Department Chair
Associate Professor **Alison Jing Xu** • Lawrence Fellow
Associate Professor **Linli Xu**
Associate Professor **Yi Zhu** • Lawrence Fellow

STRATEGIC MANAGEMENT AND ENTREPRENEURSHIP

Professor **Mary Benner** • John and Nancy Lindahl Professor for Excellence in Business Education • Department Chair
Assistant Professor **Moshe Barach**
Assistant Professor **Sunasir Dutta**
Associate Professor **Daniel Forbes**
Associate Professor **Russell Funk** • Lawrence Fellow
Professor **Aseem Kaul** • The Mosaic Company - Jim Prokopanko Professor for Corporate Responsibility • Lawrence Fellow
Assistant Professor **Xeuge (Cathy) Lu**
Associate Professor **Jiao Luo**
Professor **Ian Maitland**
Professor **Alfred Marcus** • Edson Spencer Endowed Chair in Strategy & Technological Leadership
Professor **Myles Shaver** • Curtis L. Carlson Chair in Corporate Strategy
Professor **Paul Vaaler** • John and Bruce Mooty Chair in Law & Business
Associate Professor **Gurneeta Vasudeva Singh**
Professor **Joel Waldfogel** • Frederick R. Kappel Chair in Applied Economics • Associate Dean, MBA and MS Programs
Assistant Professor **Jeremy Watson**
Assistant Professor **Alex Wilson**
Assistant Professor **Sandy Yu**
Professor **Aks Zaheer** • Curtis L. Carlson Chair in Strategic Management

Professor **Sri Zaheer** • Elmer L. Andersen Chair in Global Corporate Social Responsibility • Dean, Carlson School of Management
Professor **Shaker Zahra** • Robert E. Buuck Chair in Entrepreneurship

SUPPLY CHAIN AND OPERATIONS

Assistant Professor **Hailong Cui**
Professor **Karen Donohue** • Curtis L. Carlson Chair in Supply Chain
Assistant Professor **Necati Ertekin**
Associate Professor **Susan Meyer Goldstein**
Assistant Professor **Ximin (Natalie) Huang**
Associate Professor **Anant Mishra**
Professor **Christopher Nachtsheim** • Frank A. Donaldson Chair in Operations Management
Associate Professor **Karthik Natarajan**
Professor **Rachna Shah**
Professor **Kingshuk Sinha** • Elmer L. Andersen Chair in Sustainable Supply Chain • Department Chair
Assistant Professor **Dayton Steele**

WORK AND ORGANIZATIONS

Assistant Professor **Abdifatah Ali** • Lawrence Fellow
Professor **Avner Ben-Ner**
Associate Professor **Alan Benson** • Lawrence Fellow
Professor **John Budd** • Industrial Relations Land Grant Chair
Associate Professor **Elizabeth Campbell** • Lawrence Fellow
Professor **Michelle Duffy** • Vernon H. Heath Chair of Organizational Innovation and Change • PhD Program Director
Professor **Theresa Glomb** • The Toro Company-David M. Lilly Chair in Human Resources
Professor **John Kammeyer-Mueller** • Curtis L. Carlson Professor of Industrial Relations
Professor **Colleen Flaherty Manchester** • Board of Advisors Professor • Lawrence Fellow
Professor **Priti Shah**
Professor **Connie Wanberg** • Industrial Relations Faculty Excellence Chair
Professor **Mary Zellmer-Bruhn** • Department Chair
Associate Professor **Le (Betty) Zhou** • Lawrence Fellow



In the *Media*

Displaying the crash death toll on highway message boards is a common awareness campaign, but Carlson School research shows this tactic actually leads to more crashes.

A study in *Science* co-authored by Assistant Professor Joshua Madsen focused on Texas, where officials displayed these messages one week each month. After examining the crash data, the researchers found:

- There were more crashes during the week with fatality messaging compared to weeks without.
- Displaying a fatality message increased the number of crashes over the 10 km (6.21 mi) following the message boards by 4.5%. This increase is comparable to raising the speed limit 3-5 mph or reducing highway troopers by 6-14%, according to previous research.
- Their findings suggest fatality messages cause an additional 2,600 crashes and 16 deaths per year in Texas, costing \$377 million each year.

“Driving on a busy highway and having to navigate lane changes is more cognitively demanding than driving down a straight stretch of empty highway,” said Madsen. “People have limited attention. When a driver’s cognitive load is already maxed out, adding on an attention-grabbing, sobering reminder of highway deaths can become a dangerous distraction.”

The findings led to media coverage in major news outlets including *The Wall Street Journal*, *U.S. News & World Report*, *The Hill*, *The Economist*, CBS Radio affiliates, and more.

THE
WALL STREET
JOURNAL

U.S. News
& WORLD REPORT

THE
HILL

The
Economist



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