

Coles Seminar Series

Fall 2018



AUGUST 24TH, 2018

Upkar Varshney

Associate Professor of Computer Information Systems
Mack Robinson College of Business, Georgia State University

Topic: *Mobile Health and Two On-going Research Projects*

SEPTEMBER 7TH, 2018

Dominic Thomas

Associated Professor of Information Systems
Coles College of Business, Kennesaw State University

Topic: *Developing a Theory for Innovation Attitudes in
Healthcare Organizations*

SEPTEMBER 21ST, 2018

Guang MA

Assistant Professor of Accounting
NUS Business School, National University of Singapore

Topic: *Does financial reporting reduce managerial labor
market friction?*

OCTOBER 5TH, 2018

Duanping Hong

Assistant Professor of Accounting
School of Accountancy, Coles College of Business

Topic: *The Dark Side of Promotion Tournaments: The Effect
on Losing Competitors*

OCTOBER 19TH, 2018

Abhra Roy

Associate Professor of Economics
Coles College of Business, Kennesaw State University

Topic: *The Political Economy of Media Bias under
Monopoly*

NOVEMBER 2ND, 2018

Jie He

Associate Professor of Finance, BB&T Scholar
Terry College of Business, University of Georgia

Topic: *Can Institutional Cross-industry Holdings Mitigate
Informational Hold-up in Corporate Loans?*

AUGUST 24TH, 2018

Upkar Varshney

Associate Professor of Computer Information Systems
Mack Robinson College of Business, Georgia State
University

Mobile Health and Two On-going Research Projects

ABSTRACT

Mobile health can be defined as healthcare to anyone, anytime, and anywhere by removing locational, time and other restraints while increasing both the coverage and quality of healthcare. Because of the unlimited possibilities, mobile health has attracted a global interest among patients, healthcare professionals, researchers and policy makers. In this presentation, we will focus on mobile health and current directions. More specifically, we will present the details of two on-going research projects. The first project deals with medication adherence and interventions for both willing and not-willing patients. We will discuss major challenges in medication adherence and how different interventions, including those using mobile health, can be designed and utilized to improve the level of medication adherence. We will also present a cost effectiveness study of multiple interventions. The second project deals with prescription-drug abuse and interventions. We will present several current and emerging interventions and show how these can be applied to address the growing problem of prescription-drug abuse.

SEPTEMBER 7TH, 2018

Dominic Thomas

Associated Professor of Information Systems
Coles College of Business, Kennesaw State University

Developing a Theory for Innovation Attitudes in Healthcare Organizations

ABSTRACT

Healthcare industry organizations are continuously seeking to implement technologies that have existed throughout the years in other industries. We argue that innovation attitudes are a critical encouraging component of organizational innovation. To do so, we undertook an exploratory study interviewing IT/operations managers across the healthcare value chain to understand how their innovation attitudes are shaped by, or shape the organization. We additionally performed a critical analysis of existing theories of how creativity and innovation should occur in organizations, from the perspective of our healthcare industry sample. We found that senior leadership stewardship and an organizational culture supporting innovation were the main aspects the overall environment of the healthcare organization should have in order to foster innovation. Vendor capabilities and relationships, funding and dedicated time availability and integration with existing technology, practices and policies were found to be specific mechanisms that foster innovation.

SEPTEMBER 21ST, 2018

Guang MA

Assistant Professor of Accounting
NUS Business School, National University of
Singapore

Does financial reporting reduce managerial labor market friction?

ABSTRACT

This study investigates whether financial reporting transparency helps reduce the friction in the CEO labor market. It is challenging for firms to identify CEOs that match with the firms' operational needs and deliver better performance. We use SFAS 131 as a natural experiment to examine whether enhanced disclosures of an origin firm's segments better inform hiring firms about the CEOs' performance in multiple segments and help them to identify better CEOs who match with the hiring firms' operation. We find that in post-SFAS 131 periods, firms better identify matching CEOs from firms with enhanced segment disclosure compared to firms without. We also find such a finding is stronger when there is higher information friction about the origin firm. Overall, we add to the disclosure literature on the effect of disclosures on capital and product markets by identifying the labor-market benefit of financial reporting.

OCTOBER 5TH, 2018

Eric W. Chan

The University of Texas at Austin

John H. Evans III*

University of Pittsburgh

Duanping Hong

Kennesaw State University

The Dark Side of Promotion Tournaments: The Effect on Losing Competitors

ABSTRACT

Firms commonly use promotion tournaments to motivate employee performance. While prior research has examined the incentive effects of such tournaments, we focus on certain additional consequences that arise following the end of promotion tournaments. More specifically, we investigate tournaments for promotion to CEO to explore the consequences in subsequent turnover and career outcomes for nonpromoted VPs, whom we refer to as non-promoted executives (NPEs). A CEO promotion tournament could affect NPEs in two ways. First, when NPEs are passed over for promotion, their implicit, promotion-based incentives decline because their future prospects for advancement within the firm are reduced. We refer to this as the incentive effect. Second, the tournament has a sorting role that differentiates participants on their quality, which we refer to as the sorting effect. In our empirical analysis, we find that NPEs are generally more likely to subsequently leave their firms as compared to a group of control VPs from a sample of matched firms that do not have a CEO promotion. This holds for both NPEs who are strong competitors in the tournament and weak competitor NPEs. On the other hand, the job market assesses strong versus weak competitors differently. We find that strong NPEs are viewed more favorably by the job market than similar control VPs, while weak NPEs are viewed less favorably, suggesting that the incentive effect plays a more important role among strong NPEs while the sorting effect dominates in the cases of weak NPEs. We further find that both effects are stronger in firms that do not have an heir apparent prior to the promotion or have one but promote another executive. For firms that promote an heir apparent, we observe similar patterns on NPE turnover and career outcomes at the first stage of the CEO succession process when the firm promotes a VP to be the heir apparent. Overall, our results reveal a more complete picture for promotion tournaments at the top of the corporate hierarchy and their effects on NPEs.

OCTOBER 19TH, 2018

Abhra Roy

Associate Professor of Economics

Coles College of Business, Kennesaw State University

The Political Economy of Media Bias under Monopoly

ABSTRACT

We present a theoretical model that analyzes the interaction between media capture and bias in the context of firm quality. Specifically, we endogenously derive a threshold level of quality that allows us to pin down conditions under which media capture may or may not lead to smaller bias and greater welfare. Further, we shed light on how media bias under capture and free press may converge or diverge as the quality of the firm changes. Our finding sheds light on why attitudes towards media policy may be markedly different among developing and developed countries. Finally, our model also offers a novel explanation as to why politically dissimilar countries may tend to exhibit the same level of media freedom while politically similar countries may espouse different degrees of media freedom.

KEY WORDS: Political economy; Media bias; Media Capture; Firm quality. JEL Classification: L82, L29, L33, D73.

NOVEMBER 2ND, 2018

Jie He

Associate Professor of Finance, BB&T Scholar
Terry College of Business, University of Georgia

Can Institutional Cross-industry Holdings Mitigate Informational Hold-up in Corporate Loans?

ABSTRACT

It is increasingly common that institutional investors simultaneously hold the equity of both industrial firms and financial firms, creating a “bank-firm ownership linkage.” We analyze whether and how such linkages affect informational hold-up problems in the corporate loan market. Firms that are linked to banks other than their current lenders enjoy significantly lower loan interest rates. This effect is particularly strong when firms face greater information asymmetry and thus subject to more severe hold-up problems. We establish causality by employing a difference-in-differences setting based on the quasi-natural experiment of financial institution mergers. Notably, we find that although firms linked to banks through institutional equity holders obtain reduced loan interest rates, such an effect is absent when these institutions serve as the firms’ creditors. Overall, our evidence suggests that the bank-firm ownership linkage resulting from institutions’ cross-industry holdings can facilitate information transmission between borrowers and penitential lenders, thereby mitigating informational hold-up