Coles Seminar Series Spring 2016

Kennesaw State University
Coles College of Business

JANUARY 22ND, 2016

Jason Thatcher
Professor
Director, Social Analytics Institute

Topic: *Social Media and Selection: How does New Technology Change an Old Game?*

FEBRUARY 5TH, 2016

Saurabh Gupta
Associate Professor of Information Systems
Coles College of Business,
Kennesaw State University

Topic: *Self-Efficacy Conceptualizations in IS*

FEBRUARY 19TH, 2016

Sunay Mutlu
Visiting Assistant Professor
School of Accountancy
Coles College of Business,
Kennesaw State University

Topic: *State Contract Law and the Use of Accounting Information in Debt Contracts*

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Mikhail B. Pevzner
Associate Professor of Accounting
EY Accounting Professorship
Merrick School of Business
University of Baltimore

Topic: *Discretionary Disclosures of Goodwill Slack: Determinants and Consequences*

MARCH 18TH, 2016

Marcus Marktanner
Associate Professor of Economics and
International Conflict Management
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Kennesaw State University

Luc Noiset
Associate Professor of Economics
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Topic: *Visualization and Economic Simulations of Cross Country Data with Potential Classroom Application*

APRIL 15TH, 2016

Jonathan Clarke
Associate Dean, Undergraduate Programs
Associate Professor
Scheller College of Business,
Georgia Institute of Technology

Topic: *The Role of Analysts in Resource-Allocation: Evidence from Firms' Innovation Policy?*

JANUARY 22ND, 2016

Jason Thatcher
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Director, Social Analytics Institute

Social Media and Selection: How does New Technology Change an Old Game?

ABSTRACT

A variety of sources indicate decision makers use social media, such as Facebook and LinkedIn, to make decisions regarding potential employees. Unfortunately, there is scant academic research on the implications of this practice. To shed light on the relationship between social media and selection, we investigate whether applicants' political attitudes and individuating information (i.e., job-related information) found on social media impact decision makers' evaluations of job candidates' likeability, similarity, and "hireability". To evaluate these relationships, we conducted an experiment, which manipulated presentation of political attitudes and individuating information on two social media platforms. Our results indicated perceived similarity influenced liking and in turn, hireability, for all of our political conditions, regardless of the social media platform information was viewed on. Further, we found such effects in spite of individuating information. The study has many implications for practice, including indicating that political information on social media may influence hiring decisions; suggesting a need for future research on how to craft appropriate hiring policies.

Saurabh Gupta
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Self-Efficacy Conceptualizations in IS

ABSTRACT

Computer self-efficacy is one of the more important construct in Information Systems research. Over the years, IS researchers have debated about the multifaceted nature. In spite of the extensive research, we content that for information systems specifically, the nomological network capturing the various self- efficacy dimension are not covered. The focus of this paper is detail concepts to capture the entire gamut of computer self-efficacy constructs, providing arguments for the missing components. We argue that four distinct types of computer self-efficacy exists. Using data gathered from a training session, we illustrate how these constructs are not only theoretically distinct but also have a distinct measurement item set. Implications of the expanded nature of self-efficacy research are discussed at the end.

Keywords: Computer Self-efficacy, Task specific self-efficacy, Measurement.

FEBRUARY 19TH, 2016

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State Contract Law and the Use of Accounting Information in Debt Contracts

ABSTRACT

"We study the relation between state contract law and the use of balance-sheet and income-statement based covenants in debt contracts. Balance-sheet based covenants are argued to ex ante resolve debtholder-shareholder conflicts, whereas income-statement based covenants are considered to serve as trip wires that trigger the switch of control rights ex post. Importantly, it is more difficult for lenders to exert their control rights ex post if the contract law is more favorable to debtors (i.e., the law is pro-debtor). We therefore ask whether lenders using prodebtor law are more likely to rely on balance-sheet based covenants, and our evidence provides an affirmative answer to this question. Pro-debtor (pro-lender) state contract law is negatively associated with the probability that the contract includes an income-statement based covenant (a balance-sheet based covenant). Moreover, we extend our inquiry beyond financial covenants and find additional evidence that lenders using the law of pro-debtor states are more likely to rely on contractual features that do not require enforcement of control rights. In particular, we document that borrowing base restrictions, which limit the amount a lender provides to the borrower based on the borrower's working capital assets, are more common in contracts that are governed by pro-debtor state contract law."

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MARCH 4TH, 2016

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Discretionary Disclosures of Goodwill Slack: Determinants and Consequences

ABSTRACT

Recently, the SEC has added a principle-based requirement to the disclosures for goodwill. The rule requires firms to report the percentage by which the fair value of reporting units exceed their book values — slack — when the fair value is not substantially in excess of book value. The SEC does not place a bright-line on what is meant by substantially in excess. We examine the determinants and consequences of this disclosure requirement and find evidence consistent with the SEC's perceived goal — improve goodwill balances are more likely to disclose slack. We find that slack disclosure is associated with future goodwill impairments. Moreover, information asymmetry declines following a slack disclosure. These results suggest that slack disclosure has led to an increase in the quality of information available to investors regarding future impairment of goodwill.

MARCH 18TH, 2016

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Visualization and Economic Simulations of Cross Country Data with Potential Classroom Application

ABSTRACT

Two of the greatest technological advances over the last two decades have been the proliferation of easy to access data and the opportunity to analyze and visualize this data cost-effectively with spreadsheet and statistical software programs. Today, data relevant to business decisions are available for free from the World Bank, World Economic Forum, the Penn World Tables, and Yahoo Finance, just to name a few. Likewise, spreadsheet calculations are available at little or no direct cost from Microsoft (Excel), Google (Sheets), or Open Office (Calc). Many statistical software analysis programs like R or Gretl are also free. The combination of both the proliferation of readily available data and its cost-effective analysis and visualization provides new opportunities for research and teaching, breathing real-worldlife into the study of business and economics. Through the internet connectivity of the classroom, this may even happen spontaneously. In this presentation, we want to discuss three examples of how to enhance research and teaching by blending real world data with theoretical applications. First, we use data from the World Economic Forum to create a global business risk and opportunity finder. Second, we use data from the World Health Organization to estimate the economic burden of disease. Our third and final example uses the Solow Growth model to illustrate public policy simulations.

APRIL 15TH, 2016

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The Role of Analysts in Resource-Allocation: Evidence from Firms' Innovation Policy?

ABSTRACT

Analysts, especially all-star analysts, curtail wasteful innovation and play a beneficial role in resource allocation in the economy. Specifically, analysts do not hinder innovation in firms that are efficient innovators, but curtail innovation among poor-quality innovators. These findings are robust when considering two different identification strategies that control for endogeneity. Our results are not driven by firms that do not invest in innovation, are in industries that do not patent frequently, or acquire innovative firms. These findings continue to hold when we examine firms that experience an initiation in analyst coverage or when we examine firms' innovation input (R&D).