2011-2012

RESEARCH AT THE JOHN H. SYKES COLLEGE OF BUSINESS

THE UNIVERSITY OF TAMPA

SYKES COLLEGE OF BUSINESS

Message From The Dean

Greetings!

Our mission to educate the global leaders of the 21st century does not end in the classroom. Every faculty member at the Sykes College of Business is dedicated to providing intellectual contributions in their field of study. These activities benefit the students in the classroom, the discipline and the community at large. A selection of some of these activities is gathered in this brochure.

I do my best to read all of the articles that my faculty members write, but I understand all of you do not have the time to read them all. This selection achieves the highlights of these articles which are available to the public and through those outlets that publish them. I hope that you will enjoy reading these and agree with me that they are of high quality and worthy of praise.

F. Frank Ghannadian Ph.D.
Dean
John H. Sykes College of Business
The University of Tampa

elite

EXCELLENCE THROUGH LEADERSHIP, INNOVATION AND TEACHING EXPERIENTIALLY

Marca Marie Bear, Ph.D.
Associate Dean, International Programs

Marca Marie Bear is currently the associate dean of international programs and an associate professor of management and international business. She also served as the chair of the department of management and associate director of the Center for Ethics. In recognition of her contributions in these roles, she received The University of Tampa Outstanding Service Award for the College of Business and is recognized in the Tampa community as the recipient of the Tampa Bay Business Journal's Woman of the Year in International Business. Prior to joining UT, Bear held the position of associate professor of international business and director of the Center for International Business and Economic Growth at the Rochester Institute of Technology. Prof. Bear received her Ph.D. in business administration, with a field concentration in international business and policy, from The Ohio State University.

Bear has refereed journal articles and book chapters published in the Journal of Business and Educational Leadership, Long Range Planning, The Journal of Business Cases and Applications, International Journal of Management, Journal of Transnational Management and Development, and Business & the Contemporary World, among others. In addition, Bear co-authored The Global Enterprise: Entrepreneurship and Value Creation.

Bear is a member of Beta Gamma Sigma, the national honor society for business and she is an editorial review board member for the Journal of Teaching in International Business, Competitiveness Review, and Journal of Transnational Management Development. Bear is also a frequent contributor to national media and has appeared in the Journal of Commerce—published by the Economist Group, USA Today, Northwest World Traveler magazine, the Rochester Business Journal, St. Petersburg Times and the Tampa Bay Business Journal.

Bear has been recognized for teaching excellence by the College of Business at The University of Tampa and is the winner of the Provost's Excellence in Teaching Award at the Rochester Institute of Technology. She has had teaching experience at the MBA, Executive MBA, and undergraduate levels in the areas of international business, corporate strategy and policy, corporate responsibility, international management, global entrepreneurship, and cross-cultural negotiations. She has had overseas teaching experience in the executive MBA program at the Prague School of Economics. She has also participated in consulting projects with several multinational companies.

KAIZEN IN INSTITUTIONS OF HIGHER LEARNING: A SYSTEMIZED APPROACH TO A STRATEGIC MANAGEMENT PROCESS

Have you ever overheard colleagues grumble, "We are understaffed again, What does he do anyway? I can't believe she said that! I have to do what, by when? Well… that doesn't make any sense." Such signs of dysfunction often bog down processes and kill employee morale. Implementing elements of the Japanese principle, kaizen, can steer organizations away from these negative attributes and failed structures to bring about a shared vision, reduce complacency, leverage creativity, align goals and restore fairness throughout the entire strategic management process.

This article draws on the Japanese management principle, kaizen, to build a strategic framework that university administrators can employ to steer a strategic management process. Specifically, this article addresses two common failure points in the strategic management process, structure (front end) and evaluation and assessment (back end), that if left unchecked can result in an array of dysfunction. The results of these fail points include active inertia, inappropriate goal setting, failure to create a shared vision and to leverage creative tension and complacency in the evaluative/assessment areas of project suitability, feasibility and stakeholder acceptability. Incorporating kaizen into the strategic management process in institutions of higher learning can have demonstrable results for specific departments and the institution as a whole. This analysis examines how a systemized approach to continuous improvement can drive a more successful strategic management process in institutions of higher learning.

More information about kaizen in institutions of higher learning is provided in the following article: Bear, M.M. and Pawlak, B. (2010) "Kaizen in institutions of higher learning: A systemized approach to a strategic management process." *Journal of Business and Educational Leadership* Vol. 2, No. 1: 40.

Maureen G. Butler, Ph.D.
Assistant Professor of Accounting

Maureen Butler is an assistant professor of accounting where she teaches cost accounting and not-for-profit accounting. Prior to entering academia, Dr. Butler served in the US Army Finance Corps and worked as an accountant with a property management company and a small CPA firm. Her research is published in the Journal of Accounting and Public Policy, Journal of Applied Business Research and Journal of Business Cases and Applications. Butler is a graduate of the University of Arkansas – Fayetteville (PhD) and Syracuse University (BS). She is a CPA, licensed in Virginia and Florida and serves on the board of the Nonprofit Leadership Center of Tampa Bay.

THE IMPACT OF IMPLIED FACILITIES COST OF MONEY SUBSIDIES ON CAPITAL EXPENDITURES AND THE COST OF DEBT IN THE DEFENSE INDUSTRY

Because the Department of Defense found evidence of a shrinking defense industrial base in the early 1970s, it wanted to encourage capital spending by defense firms. The result was a cost accounting standard that reimbursed contractors for an imputed facilities capital cost of money (FCCOM) that has remained in effect, virtually unchanged, for almost 30 years, despite structural changes in the defense industry. We examine the effects of this cash subsidy unique to the government contracting industry, on a sample of 628 defense contractors' capital expenditures and cost of debt from 1978 to 2009. Our results suggest that the standard met its intended objective of increased capital spending within 10 years of its promulgation. However, we also find that the FCCOM subsidy may have contributed to a decreased cost of debt within the defense sector over the long-term. Further analyses indicate that the long-term persistence of this subsidy may have encouraged defense contractors to overinvest in capital goods. Our findings suggest that public policy makers should consider both direct and indirect effects of regulation embedded in accounting standards.

For further information about this article, please refer to Callahan, C.M., Vendrzyk, V.P. and Butler, M.G. (2011) "The impact of implied facilities cost of money subsidies on capital expenditures and the cost of debt in the defense industry." *Journal of Accounting and Public Policy*, 10 (2).


Jeff Donaldson, Ph.D. CFA
Associate Professor of Finance, Interim Department Chair of Finance

Donald Flagg, Ph.D.
Assistant Professor of Finance

Jeff Donaldson is a tenured, associate professor of finance. He has served as director of the Master of Science in Finance program and department chair. He has professional experience as a broker and in portfolio management for SouthTrust Estate and Trust Company. Donaldson's teaching and research interests include investments, portfolio management and real estate. He was given the Outstanding Scholarship Award at UT for his research, won the Outstanding Paper Award at the conference for Financial Education in 2010, and has published numerous articles, most recently in the Journal of Financial Education and the Financial Analysts Journal. Donaldson was recipient of the Graduate Faculty Member of the Year Award for Excellence in Teaching in 2007 and 2011. He also received the Excellence in Teaching Award in 2010.

Donald Flagg is an assistant professor of finance. He obtained his Ph.D. from the University of South Florida in 2007. His research interests include venture capital, equity offerings, efficiency of financial markets and market microstructure. He has been published in such journals as Financial Management, Journal of Financial Education, Journal of Financial and Economic Practice and Journal of Financial Case Research.

SELECTING STOCKS AND BUILDING PORTFOLIOS: A SORTING EXERCISE

In our experience with Student Managed Investment Funds (SMIFs), students at the start of the course consistently ask how to begin selecting securities or seek to learn a new model for selecting securities. Discussions on stock selection are helpful to engage students in this area, but we attempt to further this by providing a comprehensive stock selection exercise to help students better understand how to appropriately pick stocks and create a portfolio. In this exercise, students are reminded of the limitations surrounding the stock screening process and are provided an alternative, more robust method for selecting securities that is commonly utilized by investment professionals. For example, during the screening process there is a chance of eliminating an otherwise favorable stock simply because it failed any one of the initial screens. Some stock screens may permit a search on multiple variables simultaneously but typically do not allow for applying specific weights to each metric. A sorting method, on the other hand, avoids these issues by permitting the user to create custom variables, affords the opportunity to view all of the variables used in the screening process simultaneously, and includes the option to apply specific weights to each fundamental variable. Various accounting variables are used in this exercise and each metric is converted into a Z-score which reveals where each firm ranks in their industry. The Z-score simply involves subtracting each firm's accounting value from the industry average and then dividing by the standard deviation of that variable for the same industry. This methodology allows the user to combine various accounting measures from ROE to market capitalization into a single score which is used to rank all the firms in the sample (S&P 500). The user may then apply weights and signs of their choosing to each Z-score in order to reflect their preferences. The five hundred firms are then ranked by Z-score from highest to lowest. The exercise concludes with students creating a portfolio based on these rankings and comparing their portfolio's return to the S&P 500 return for the following year.

For additional information about this article, please refer to Donaldson, J., Flagg, D. and Orr, H. (2011). "Selecting stocks and building portfolios: A sorting exercise for investment courses or student managed investment funds. *Managerial Finance*, 37(7). This paper received the Outstanding Paper Award at the Financial Education Association Conference, Fall 2010.

Donald Flagg, Ph.D.
Assistant Professor of Finance

Donald Flagg is an assistant professor of finance. He obtained his Ph.D. from the University of South Florida in 2007. His research interests include venture capital, equity offerings, efficiency of financial markets and market microstructure. He has been published in such journals as Financial Management, Journal of Financial Education, Journal of Financial and Economic Practice and Journal of Financial Case Research.

JOB MARKET SIGNALING: WHAT DRIVES THE PRODUCTIVITY OF FINANCE PH.D.s

Employee productivity is a much-discussed topic in both Economics and Finance. The typical question posed by researchers or anyone hiring an employee is what characteristics lead certain employees to be more productive than others? This question has puzzled employers for years. To answer this question we turn to signaling theory. Signaling theory suggests that under uncertain conditions where information asymmetries (differences in information between two or more parties) exist between parties, one party can signal or demonstrate its quality through characteristics that are costly and difficult to imitate. This paper applies signaling theory to the academic labor market and provides broader implications to markets outside academics.

We study the research productivity of new Finance PhDs, as measured by the number of quality publications. Universities often look to hire candidates with the highest potential for future publications in high quality Finance journals. For that matter most programs across universities look for candidates with similar characteristics. The commonly accepted notion by universities is the highest ranked schools will produce the candidates with the greatest potential for high quality publications. Our results support this notion, but surprisingly we find another identifiable characteristic even more critical in explaining future research productivity. We find publications or revisions in top-tier journals during the doctoral program to be a stronger measure of potential research productivity than the school attended. This finding goes directly against how most universities hire new Finance Ph.Ds.

We show candidates from lower ranked schools (thought to be weaker schools than the top-50) who signal research potential through publications and/or revisions in the top ranked Finance journals produce more high quality publications than graduates from the top-50 schools without these signals. Collectively, our findings demonstrate how candidates outside of the top-50 schools can signal their future research productivity. Employers can use these signals to broaden the pool of acceptable candidates and increase the efficiency of the hiring process, finding the most productive candidate. We also show in the absence of inside information about candidates, signaling takes on a more important role in future research production. Even though we examine the specialized labor market for Finance PhDs, our results have broader implications for markets outside academics.

Further information about this article can be obtained in Flagg, D., Park, J.C. and Gilley, O.W. (2011). "Job market signaling: What drives the productivity of Finance Ph.Ds?" *Journal of Financial Management*, July (3rd Quarter/Summer).

Bella Galperin, Ph.D.
Associate Professor of Management

Bella Galperin is an associate professor of management. She also serves as an associate director in the TECO Center for Leadership. Galperin has published articles in the area of cross-cultural management, workplace deviance and violence, and entrepreneurship. Galperin is currently the associate editor of Cross Cultural Management: An International Journal. She has also worked as a consultant in the telecommunications, pharmaceutical and clothing industries.

STATUS DIFFERENTIATION AND THE PROTEAN SELF: A SOCIAL-COGNITIVE MODEL OF UNETHICAL BEHAVIOR IN ORGANIZATIONS

Recently, the world experienced the worst financial crisis since the Great Depression. In the U.S., millions of people have become unemployed, businesses have gone bankrupt, and many have lost their savings. Many experts blame the current economic situation on greed and the deceptive or unethical practices of large financial organizations (e.g., the collapse of Lehman Brothers Holdings Inc.'s in September 2008). Many consider executives accepting millions in bonuses after overseeing massive layoffs to be unethical. Yet, despite the current situation, Lord Griffiths, the vice chairman of Goldman Sachs said, ''inequality was good.'' His comments were made after President Obama stated that he was planning to cut bonus payouts by 90 percent to executives of Wall Street banks who obtained billions of dollars during the bailout. The news lately is replete with other examples of high level executives of nearly bankrupt companies cutting jobs, pay, or pensions for rank and file employees with one hand, while accepting bonuses and fantastic perquisites for themselves with the other. For example, less than a week after the American International Group Inc. accepted a $85 billion loan from the U.S. government, its executives went on a $440,000 luxurious retreat which included spa treatments worth $23,380. By engaging in self-interested behavior rather than showing concern for their stakeholders (e.g., rank and file employees), the executives engaged in behaviors which violated the societal norms. What makes these top level executives engage in practices that observers might consider unethical? How do top executives justify record increases in compensation (Moore and Katz, 2009) for cutting 'costs' such as employee jobs, salaries, and benefits?

This article proposes a model to explain why executives in organizations with a great deal of status differentiation may be inclined to behave unethically. We believe that status differentiation in organizations creates social isolation. As a result, executives' high status group identity dominates, and their moral identity is suppressed. The high status group identity results in insensitivity to the needs of out-group members (i.e., less empathy for lower status employees), consequently resulting in decreased motivation to self-regulate ethical decision making. Unlike the majority of research in this area, our model focuses on the role contextual factors (e.g., status related cues in the environment) play in explaining unethical behavior.

More information about status differentiation and the protean self is provided in the following article: Galperin, B.; Bennett, R.J.; Aquino, K. (2010) "Status Differentiation and the Protean Self: A Social-Cognitive Model of Unethical Behavior in Organizations." *Journal of Business Ethics*, Vol. 98, No. 3: 407-424.

Pranjal Gupta, Ph.D.
Associate Professor of Marketing

Pranjal Gupta works in the area of electronic marketing and studies issues pertaining to trust, decision quality and electronic word-of-mouth.

THE IMPACT OF ONLINE WORD-OF-MOUTH

Over the past decade, online purchasing has risen sharply. Correspondingly, the availability of online word-of-mouth (e-WOM) from past buyers has increased as well. Most major retailers such as Amazon, Macys, Best Buy and Lowes provide e-WOM from past customers on their websites. Despite the prevalence of e-WOM, very little is known about the extent of use and decision quality impact of e-WOM. This question is particularly interesting because online e-WOM, unlike traditional WOM, is from senders who are strangers to the reader. Thus, readers are unlikely to have trust in or knowledge of the e-WOM sender.

To study this problem, we conducted a laboratory experiment where consumers were sent to an experimental website where they were asked to hypothetically purchase a product. The site was realistic and had plenty of product choices, lots of product information and, of course, e-WOM.

The results provide some very interesting insights. First, consumers seemed drawn towards e-WOM and spent time reading it. More specifically, consumers who were less motivated to process information (LM) tended to redirect their product search around e-WOM recommended products. On the other hand, consumers who were more motivated to process information (MM) included e-WOM recommended products and spent more time on their task. Further, LM consumers chose products that were not optimal ones, simply because they were recommended. The MM consumers were willing to search around the recommended products and chose them only if they were an optimal product. The key insight is that e-WOM can lead to poor decisions for LM consumers and can influence MM consumers only if the product is an optimal one. Thus, MM consumers may "sacrifice" their own preferences for a recommended one, as long as the recommended product is optimal on everything else. Interestingly, these results occurred with even a single instance of e-WOM.

There are several important insights for the online business manager. The first is that consumers seem drawn to e-WOM, even though it is from strangers. Further, we find that LM and MM consumers utilize e-WOM information differently. LM consumers make hasty, and thus poor, decisions based on e-WOM while MM consumers get influenced but still make well thought out, good decisions. Our results suggest that online marketing managers could perhaps only release e-WOM when there are sufficient numbers of e-WOM responses available. This would increase the chances that the overall information is more reflective of product quality. Our results are a cautionary note to online marketers that they need to design e-WOM systems to reduce the chances of poor product choices.

More information about the impact of online word-of-mouth is provided in the following article: Gupta, P. (2010) "The impact of online word-of-mouth." *Journal of Business Research* Vol. 63: 1041-1049.

Leon "Lee" Hoke, Ph.D.
Professor of Economics

Michael Truscott, Ph.D.
Professor of Economics

Lee Hoke holds a Ph.D. in economics from the University of Pittsburgh and is a full professor of economics at The University of Tampa. During the 29 years Hoke has been at the University, he has served as associate dean of the College of Business, chairman of the Division of Economics and Business, director of the MBA program, director of the Strategic Analysis Program, chairman of the Tenure and Promotion Committee and co-director of the TECO Energy Center for Leadership. In 1990, Hoke was elected to the board of a private country club and he began applying the concepts he teaches to the marketing and strategic challenges the organization faced. This experience led to more than a decade long research interest, which resulted in over 35 national and regional publications as well as frequent presentations to academics and practitioners, including all three local regions of the CMAA. Hoke has complemented his academic activities with real world experience providing consulting services to a wide range of for-profit and nonprofit organizations. His client list includes National Public Radio, Club Corporation of America, Palma Ceia Golf and Country Club, The Greater Tampa Association of Realtors and Meals on Wheels. The services provided to these clients include strategic planning, marketing plans, focus groups, workshops, town meetings, retreat facilitation and surveys.

Michael Truscott is an expert on all aspects of global finance and economics, from the problems of emerging nations to the intricacies of exchange rate fluctuations in the global economy. Truscott directs his research to focus on areas where it can be applied to either real world situations or to the more effective teaching of economic principles. Truscott's current research focuses on the international trade economic interactions between the BRIC countries (rapidly growing emerging economies) and the U.S.

THE MACROECONOMIC ENVIRONMENT, ITS IMPACT ON THE CLUB INDUSTRY, AND THE NEED FOR A STRATEGIC FOCUS ON MEMBERS

This article outlines the decline in the macroeconomic environment and how changes in the environment have reduced the bargaining power of private clubs with current and potential club members. It outlines how the board and staff members of private clubs can develop and implement strategies to regain that bargaining power and reverse the secular and cyclical decline in private club membership.

For more information on the macroeconomic environment and its impact on the club industry, please refer to the following article: Truscott, M., Hoke, L. (2011) "The Macroeconomic Environment, Its Impact on the club Industry, and the Need for a Strategic Focus on Members." *The Board Room*.

Vikas Jain, Ph.D.
Assistant Professor of Information and Technology Management

Vikas Jain completed his Ph.D. from The George Washington University and is a graduate from Indian Institute of Technology, New Delhi, India. He currently serves as assistant professor at the ITM department. His research interests include business value of information systems, electronic commerce, post-adoptive information systems use, enterprise systems, and electronic government. He has published extensively in premier MIS journals such Database for Advances in Information Systems and International Journal of Human Computer Interaction. He has worked for nearly 12 years in IT industry in different areas ranging from software development, IT market research and consulting, and e-learning. He has served as a special issue guest editor for Electronic Government: An International Journal, Journal of Global Information Technology Management (JGITM) and Journal of Organization and End User Computing. He also serves as an editorial review board member for International Journal of Electronic Government Research.

ONLINE SHOPPING BEHAVIOR: ROLE OF GENDER AND PRODUCT CATEGORY IN INFLUENCING RISK PERCEPTION

Despite significant growth in internet sales, consumers still continue to perceive significant risks in purchasing products online. Multiple factors contribute to such a risk perception including, but not limited to, factors like nature of product being purchased, risks associated with the website, reputation of electronic retailer or inherent risk averse personality of the individual. Studies in marketing, psychology, and related fields have reported that demographic variables such as gender determine risk attitude or risk perception of individuals. Earlier research also point to different levels of risk perception among online buyers based on the type of product they purchase online. Some products are usually viewed as inherently riskier than others. For instance, while consumers may not associate a higher level of risk with the purchase of books, they are likely to perceive higher risk for products like computers or products where the unit price is higher, and hence can be perceived to carry higher financial risk. It is in the interest of electronic retailers to reduce such purchase related risk perception among consumers to achieve higher sales.

In this study, we studied how demographic variables (such as gender) and nature of product being purchased influence risk perception among consumers. We studied the differences in risk perceptions of 183 respondents across gender and product categories during their interaction with two websites, Amazon and GE Appliances, and their subsequent intention to purchase from these electronic retailers.

Our research reveals that gender, by itself, does not directly enhance the negative relationship between risk perception and intention to purchase, indicating that both men and women can be equally immune to perceived risk when it comes to online purchases. However, the gender effect manifests itself when analyzed in association with product category, indicating that males and females do differ in their risk perception based on the category of product being purchased. Our study results show men heeding risk when purchasing online from GE while women heeding risk when purchasing online from Amazon. The possible explanation for this lies in selectivity theory which posits that women tend to be comprehensive processors of information and are likely to perceive different levels of risk than men when number of available cues is more than they can process. Since the Amazon website offers the opportunity to make more product and price comparisons than the GE Appliances website, women are more likely to respond to the higher number of information cues available at the Amazon website than men, and therefore, perceive higher risk while buying at Amazon.

Our research study makes a significant contribution by highlighting that gender differences can confound the purchase intention in association with other factors like product category, which may not be detected if gender differences are studied independent of such factors. This has direct implications for electronic retailers in terms of how to reduce risk perception based on cue sensitivity of consumers, both males and females, by limiting the number of product choices provided on the website or designing sections of a website differently to accommodate the cue sensitivity thresholds of individual customers.

More information for online shopping behavior can be found in the following article: Kanungo, S., Jain, V. (2011) “Online Shopping Behavior: Moderating Role Of Gender And Product Category In Influencing Risk Perception.” *International Journal of Business Information Systems*.

Ali Jenzarli, Ph.D.
Associate Professor of Information and Technology Management

Ali Jenzarli has conducted more than 45 local, national and international consulting projects in operations, software and business valuations, data analysis, forecasting, quality and process improvement, and program accreditation. Projects spanned a variety of industries including software development, retail and financial services, technology start-ups, manufacturing and higher education. He has more than 100 intellectual contributions in basic and applied research including manuscripts published in peer-reviewed journals and conference proceedings, peer-reviewed presentations, new course and workshop developments and seven grants. Topics include project, operations, quality and risk management, business intelligence, forecasting, uncertain reasoning, artificial intelligence, health environments design and clinical data analysis. He holds a Ph.D. in management science with concentrations in applied statistics and artificial intelligence from the University of Kansas, and a B.S. in electrical and computer engineering from the University of Louisiana-Lafayette. He has received 19 honors and awards for outstanding teaching, service and academic achievements. He has held more than eight leadership positions in industry, university and community organizations and is a member of six professional societies and institutes.

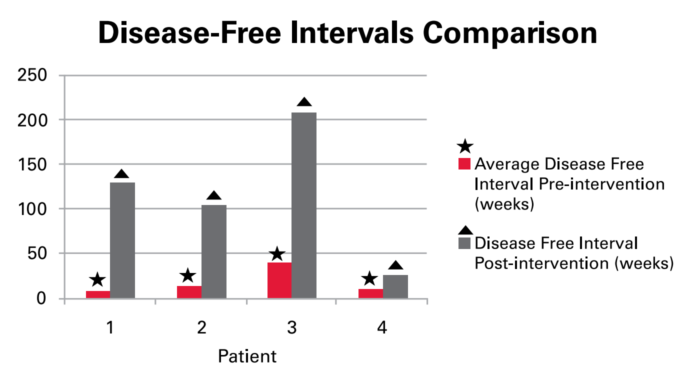
DOES FOOD INTOLERANCE PLAY A ROLE IN RECURRENT RESPIRATORY PAPILLOMATOSIS?

This is the first study to report the use of diet modification and food intolerances to manage recurrent respiratory papillomatosis (RRP). Statistical significance in attaining remission of RRP with food intolerance management as an adjuvant therapy to surgery was achieved.

RRP is a benign infectious disease with a potentially aggressive course. The first-line treatment is typically surgical resection followed by chemo-like therapy. Food intolerances are relatively common and underdiagnosed. Results suggest possible association between food intolerances and RRP, and further investigation may be warranted, which would change the currently unsuccessful and painful course of treatment for children with RRP.

Four pediatric patients with RRP were studied. All patients, cared for by the primary author between 2005 and 2010, were managed using invasive procedures including chemo-like treatments, and required multiple surgeries. Double-blind placebo-controlled studies regarding foods ingested are extremely difficult when studying children. An open food challenge with subsequent elimination is a more practical approach. Detailed medical history followed by oral food challenge was successful at identifying food intolerances in all 4 patients. When specific food elimination was implemented in these patients' treatments, statistically significant long-term remission was achieved.

The average disease-free interval before food modification was 17.25 weeks; the average after food modification was 117 weeks. Figure 1 shows that the mean recurrence interval post–food intolerance intervention was significantly larger than mean recurrence interval pre–food intolerance intervention. Assumptions for the statistical method used were validated even for such a small sample. Food intolerance and its impact on RRP and immune dysfunction deserve further investigation and may benefit some patients with RRP.



More information about food intolerance is provided in the following article: Patel, N. J. and Jenzarli, A. (2012) "Does Food Intolerance Play a Role in Recurrent Respiratory Papillomatosis?" International Forum of Allergy and Rhinology Journal Vol. 2:85-88. (First published online: September 15, 2011)

Mary Hilston Keener, Ph.D.
Assistant Professor of Accounting

Mary Keener is a graduate of Kent State University (Ph.D. and master's degree in accounting) and the University of Toledo (bachelor's degree in mathematics). Keener's research interests are in the areas of value relevance, restructuring charges, and analyst forecast accuracy and bias. She also plans to conduct pedagogical research on the best methods for teaching intermediate accounting students. Keener serves as the faculty advisor for Beta Alpha Psi and the Accounting Club at The University of Tampa. She is also a member of the American Accounting Association (AAA), and she has presented papers at regional and national AAA conferences.

THE RELATIVE VALUE RELEVANCE OF EARNINGS AND BOOK VALUE ACROSS INDUSTRIES

Many studies from the past 15 years examine the relative and joint impact of earnings and book value on stock price. This study, based primarily on Collins, Maydew, and Weiss (1997), will focus specifically on the variations in the impact of earnings and book value on stock price over time and across industries. The first purpose of this study is to update and extend the Collins et al. (1997) paper by looking at a more recent twenty year time period. This study also examines the differential effects of the variation in value relevance of earnings and book values across many different industries. Finally, this paper provides a brief discussion of the evolution of value relevance literature as it relates to this study.

Several important findings should be noted. First, this study confirms the Collins et al. (1997) finding that the impact on price of earnings and book values has not decreased over the twenty year period examined. Also, the results demonstrate that, over the sample period, the impact of earnings on price has been enhanced and the incremental impact of book value on price has not changed significantly.

More information about the relative value relevance of earnings is provided in the following article: Keener, M. (2011) "The relative value relevance of earnings and book value across industries." *AABRI Journal of Finance and Accountancy*, Vol. 6 (May 2011 Edition).

Brian T. Kench, Ph.D.
Associate Professor of Economics, Department Chair of Economics

Brian Kench has built his career around the specialties behavioral and experimental economics, microeconomics, and the economics of organization. He often serves as a consultant in the areas of economic damages and economic impact analysis. Kench earned a bachelor's degree in 1994 from Framingham State College in Framingham, Mass. He went on to study at The University of Connecticut, where he earned a master's degree in 1997 and a Ph.D. in 2000. At UT he teaches Intermediate Microeconomic Theory, Economics for Business Leaders, and Foundational Economics for Managers; and he earned the Sykes College of Business Teaching Excellence Award in 2009. In addition to his classroom work at UT, Dr. Kench is editor of The Tampa Bay Economy, a biannual publication of the Sykes College of Business. He serves as co-director of the Adam Smith Society, UT's economics honor society, and is President-Elect of the Academy of Business Economics. His works have been published in the Eastern Economic Journal, Journal of Economics and Economic Education Research, Journal of Financial Transformation, and Journal of Regulatory Economics; and he earned the Sykes College of Business Researcher of the Year Award in 2008.

THE GREAT RECESSION'S IMPACT ON THE TAMPA BAY ECONOMY

The Great Recession of 2007-2009 has had a severe impact on the Tampa Bay economy. Although Tampa Bay's housing market peaked in May 2006, it was the bankruptcy of Lehman Brothers, in September 2008, and the subsequent financial crisis, that intensified the magnitude of the Great Recession and its impact on the Tampa Bay economy. Housing bubbles and financial crises have a rich history together, and the damage they cause is usually significant. The damage observed in Tampa Bay, over the last few years, has been significant. Standard & Poor's Case-Shiller housing price index for Tampa Bay decreased by 48 percent. At one point, gross sales in Tampa Bay plunged 19 percent, on a year-on-year basis. And at the depth of the downturn, the Tampa Bay lost 140,700 nonfarm payroll jobs. The good news is that nearly six years after the peak in the Tampa Bay housing market, and more than four years since the beginning of the Great Recession, economic data point in a positive direction. The Tampa Bay economy has begun to travel the long road to a full recovery.

More information about the great recession's impact on the Tampa Bay economy is provided in the following article: Kench, B. (2011) "The Great Recession's Impact on the Tampa Bay Economy." *Research in Business and Economics Journal*, (May 2011, Special Edition) .

Kenneth J. Knapp, Ph.D.
Associate Professor of Information and Technology Management

Kenneth Knapp's specialties include information systems management, information and cyber security, IT governance and strategy, data and network communications, systems analysis, and development and design. Knapp also conducts seminars on the topics of identity theft, online safety and personal information security for community groups and businesses requesting such a presentation.

KEY ISSUES IN DATA CENTER SECURITY: AN INVESTIGATION OF GOVERNMENT AUDIT REPORTS

The rising volume of electronic data, the growth in cloud computing and the need for secure and affordable large-scale data storage all contribute to the increasing reliance on data centers in modern society. This paper provides an overview of security issues relevant to data centers. We offer a summary and analysis of four audit reports of government data centers operating in the United States. Using the information security common body of knowledge to categorize audit findings, we identify the key issues from the reoccurring findings in the reports. From the study, it is clear that data center security issues go well beyond what some may call "traditional" computer security such as concerns about passwords, virus protection, denial of service attacks and network perimeter devices such as firewalls. Instead, data center security issues range in varying degrees from physical to operations security as well as network and cyber security. Based on the results, the top four categories representing over 60 percent of the findings include operations security, governance and risk management, physical security and disaster recovery planning. The security of data centers has become an important concern for government, businesses and the information technology industry. Both practitioners and academics can benefit from our research results because it provides insight into the key security issues facing modern data centers.

More information about key issues in data center security is provided in the following article: Knapp, K. J., Denney, G.D. and Barner, M.E. (2011) "Key issues in data center security: An investigation of government audit reports." *Government Information Quarterly* Vol. 28, 4: 439-562.

Dean A. Koutroumanis, Ph.D.
Assistant Professor of Management, Associate Director of UT Entrepreneurship Center

Dean Koutroumanis' research interests include the development of human capital and the impact employees have on organizations. He has published several articles and cases in peer reviewed journals including, the Journal of Organizational Culture, Communication and Conflict, Journal of Applied Business Research, Journal of Applied Business and Economics and the Small Business Institute Journal. Additionally, he has authored a chapter in the Handbook of Hospitality and Tourism: Human Resource Management. His current research involves the relationship organizational culture has on employee commitment in the hospitality industry.

TECHNOLOGY'S EFFECT ON HOTELS AND RESTAURANTS: BUILDING A STRATEGIC COMPETITIVE ADVANTAGE

Current economic conditions have had a dramatic, negative financial impact on the hospitality industry. Consumer behavior patterns have changed for multiple reasons, including high levels of unemployment, a deep recession, and overall fear of what the future holds. Hoteliers and restaurateurs need to look at various strategic vehicles to build and regain customers.

The face of technology is continually changing, and it is not any different for the hospitality industry. Operators, at both the national levels and independent levels need to take a proactive stance in implementing technological advances, while continually striving to build higher levels of service quality and guest loyalty. A 2004 study conducted by the National Restaurant Association stated that 70 percent of a restaurant's business base comes from repeat customers. The same survey asked restaurateurs if it was getting more difficult to maintain customer loyalty. Fifty-two percent of the respondents said yes. This study shows that tapping into customers' needs through the use of information can be instrumental in building loyalty and gaining new customers.

Industry operators are continually competing for employees, locations, and more recently information about customers. As more people are using the internet there is a high amount of information that is being captured on web servers. Proper extraction of this information coupled with high levels of service delivery is what will help operators build a competitive advantage in this troubled economy. Research has shown that organizations need to structure the way they think around how customers think and act. By accomplishing a customer-centered focus, companies will be able to highlight their strengths and develop opportunities for operational improvement. Information regarding customers will continue to have a big impact on the future of the industry. The power of this information base can be seen through the explosion of personal and business social network sites such as LinkedIn, Facebook, Twitter as well as various blogging sites dedicated to customer experiences. Identifying patterns of current and potential customers and servicing their needs better than competitors is one way that organizations are attempting to use this information as a leverage tool against competitors.

Additional information about technology's effect on hotels and restaurants can be found in the following article: Koutroumanis, D. (2011) "Information technology's effect on the hotel and restaurant industry: Building a strategic competitive advantage." *Journal of Applied Business and Economics* Vol. 12, 1.

Ronald Kuntze, Ph.D.
Associate Professor of Marketing

Ronald Kuntze has been teaching marketing, retailing, consumer behavior and services marketing courses Arizona State University, Northeastern University and more recently The University of Tampa. Kuntze earned an MBA from the University of Michigan (1985) and a Ph.D. in marketing in 2001 from ASU.

Kuntze has won 11 teaching awards and was the first official University of Tampa submission for the prestigious United States Professor of the Year Award in 2008. He has published in the Journal of Consumer Research, the Journal of Services Marketing, and Psychology and Marketing, among others. Kuntze was quoted last year in Business Week, and is considered a notable expert on consumer frugality and retail return fraud (see Wikipedia for cites).

UNDERSTANDING UNETHICAL RETAIL DISPOSITION PRACTICE AND RESTRAINT FROM THE CONSUMER'S PERSPECTIVE

This article is part of a stream of research Kuntze that explores marketing's knowledge regarding unethical retail disposition (URD); also known as "deshopping" or "return fraud." URD is a form of consumer fraud, whereby consumers purchase merchandise with the intent of using and then returning for a full, illicit refund. Over 20 percent of Americans claim to have done this and nearly 50 percent find it "not ethically or morally wrong." This costs retailers and society more than $11 billion annually.

The authors extensively interviewed hundreds of admitted deshoppers as well as those who do not. From the research, these authors developed frameworks that better explain the motivations behind the behavior.

The researchers find numerous rationalizations behind return fraud including:
Denial of Responsibility. Most deshoppers say they do it because of factors outside their control like not having enough money to buy the product.
Appeal to higher loyalties. Consumers believe they need to get items to impress friends and to "fit in"—no matter what the means.
Denial of Victim & Denial of Injury. Some feel that retailers can afford this action—they charge ridiculously high prices and deserve a certain degree of theft, and will get the losses back from suppliers.
Condemn the Condemners. Some unethical returners believe that retailers 'bring it upon themselves' because of easy and friendly return policies.
One Time Usage & First Time Crime. "Many believed it was "OK" if you only did it once—especially in youth; or for an important event (like a wedding) wherein a special outfit is required.
Outsmart the System. Some consumers loved the thrill of cleverly outwitting the system.

The article is the first to explore why the majority (although a declining majority) refrain from retail fraud. Although the number one reason was the belief that it was "unethical or wrong," more consumers did not participate in URD simply because it was inconvenient, or that they feared they might get caught. This indicates that many consumers may be easily swayed in the future to deshop; should the occasion arise. Of additional concern is the finding that many consumers had negative feelings for retailers- particularly large chain firms—for which they felt little or no empathy.

In their next piece (to be published) Kuntze and his co-authors suggest a litany of modern and applied strategies for retailers in the 21st century to reduce these costly behaviors. The authors ultimately believe that many of the motivations behind unethical retail returning are shared by those who behave in more aggressive ways (ie. shoplifting, flashmobs, etc.) and forward some new and unconventional solutions and strategies to stop behaviors that threaten retailers and other service providers.

For more information on understanding unethical retail disposition practice and restraint, refer to the following article: Kuntze, R., Rosenbaum, M., Wooldridge, B. (2011) "Understanding Unethical Retail Disposition Practice and Restraint from the Consumer's Perspective." *Psychology & Marketing*, Vol.28(1): 29-52.


Erika Matulich, Ph.D.
Professor of Marketing

Hemant Rustogi, Ph.D.
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Erika Matulich is a tenured professor of marketing and a professional certified marketer. She has a Ph.D. in marketing and social psychology from the University of Wisconsin-Madison, an MBA in marketing and statistics and a BBA in marketing and journalism from Texas Christian University. She is named in Who's Who in the World, Who's Who among American Educators, and Who's Who among American Women. Matulich has conducted more than 1,000 consulting and training projects with small businesses, not-for-profits, and Fortune 500 companies around the world. She has more than 100 publications in the form of journal articles, book chapters and conference proceedings. Her areas of expertise include high-technology marketing, strategic marketing planning, and innovations in teaching pedagogy. Her specific research interests include marketing targeted to children, sustainability, use of online surveys and student information processing.

Hemant Rustogi specializes in market research, international marketing, service quality, marketing strategy and international business education. Rustogi has written numerous publications on marketing and international business education. His efforts were instrumental in helping UT earn $2 million in federal grants for international business education. Rustogi is the CEO for the Brandon Montessori School.

AN INTERNATIONAL LOOK AT ATTITUDE TOWARDS ADVERTISING, BRAND CONSIDERATIONS, AND MARKET EXPERTISE: UNITED STATES, CHINA, AND INDIA

The United States market represents a diverse marketing environment. This diversity is complicated by an even more complex global environment. The environment's impact on marketing has created new marketing opportunities. This study explores the differences among three marketing components across three countries; the United States, China and India. The three marketing components are Attitudes towards Advertising, Brand Considerations and Market Expertise. This study focused on the Chinese and Indian markets, in comparison with one another and the US market. This focus was chosen because China and India are two of most important emerging markets and loosened trade barriers have allowed for increased imports of foreign brands. Studies focusing on customer behavior for both China and India together have been limited (Kumar et. al., 2008).

Furthermore, marketing theories are traditionally based on US concepts and the transferability across cultures may be challenged. As such, examining the applicability of US-based constructs in other countries has increased in importance (Lee and Green 1991; Durvasula et.al. 1993). This study seeks to better understand if traditional marketing scales are useful for Chinese and Indian respondents. The key goal was understand the underlying differences between the three respondent groups.

The reactions found in the attitude towards advertising aligned with past research. The differences found in the brand consideration section were supported by different stages of economic growth; the emergence of foreign and domestic branding knowledge is still expanding in China and India. It was interesting to see that all three countries, given their different levels brand knowledge, agreed that all brands are not the same. While the high levels of materialism found by the Indian respondents was surprising, considering most of the population lives in countryside and works in agriculture, it is not surprising the more educated individuals surveyed showed materialist aspirations in line with the US and China.

More information about an international look at attitude towards advertising, brand considerations, and market expertise is provided in the following article: Hilliard, H., Matulich, E., Rustogi, H. and Haytko,D. (2012) "An International Look at Attitude Towards Advertising, Brand Considerations, and Market Expertise: United States, China, and India." *Journal of International Business Research*.

Robert McMurrian, Ph.D.
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Robert McMurrian is an associate professor of marketing. He serves as co-director of the College of Business' Center for Ethics. Dr. McMurrian received his Ph.D. in business administration with a major in marketing from Louisiana State University. He was employed with IBM for 20 years and has extensive experience in both personal selling and sales management. While with IBM, he earned 13 consecutive 100 Percent Clubs for sales achievement and qualified for one Golden Circle for outstanding sales achievement. He received a Distinguished Salesman Award in 1976 presented by Sales and Marketing Executives of America for sales achievement and contributions to the field of personal selling. He has published in the Journal of Applied Psychology, the Journal of Marketing, Advances in Business Marketing and Purchasing, Psychology and Marketing and in the Journal of Brand Management.

THE IMPACT OF SELF-EFFICACY ON EXPECTANCY, EFFORT, AND ADAPTIVE SELLING IN A PERSONAL SELLING CONTEXT

The purpose of this research study was to examine the usefulness of Bandura's social cognitive theory in explaining a salesperson's level of performance. A central concept in social cognitive theory is that individuals' levels of self-efficacy (beliefs they possess the necessary abilities to successfully perform a task) will have a direct influence on levels of expectancy (a belief that a person's effort on a task will lead to good results) and levels of effort. This research posits and tests a model of self-efficacy as an antecedent of a salesperson's levels of expectancy, effort, and practice of adaptive selling (the flexibility in presentation style based on individual customers). In this study of 400 salespeople in automobile dealerships in a southern state, it was found that a person's level of self-efficacy did have a significant effect on both expectancy and effort. Sales people that had more confidence in their ability to accomplish a sales task tended to expect positive outcome and tended to work harder to accomplish the expected results. Additionally, self-efficacy was found to have a positive effect on the practice of adaptive selling skills by the responding salespeople.

The implication for managers is that sales managers must invest time and effort in orientations and training sessions to instill a feeling of confidence in newer, less experienced sales people that they have the necessary skills to succeed. There is a saying in personal selling that success breeds success. The development of self-confidence in sales people can lead to early career success that becomes a cycle of success resulting in greater future performance.

More information about the impact of self-efficacy is provided in the following article: McMurrian, R. and Srivastava, R. (2010) "The Impact of Self-Efficacy on Expectancy, Effort, and Adaptive Selling in a Personal Selling Context." *Journal of Selling & Major Account Management*, Vol. 9, No. 1.



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Klara Nelson is an associate professor in the information and technology management department. Her research interests include the cost of quality in IS implementations, ERP implementation, women in IT and data quality. She teaches courses in database systems, business intelligence and analytics, information systems and innovation management. Nelson has published in Decision Sciences, the Journal of Global Information Management, the European Journal of Operational Research, Information & Management and the Journal of Management and Marketing Research.

Marcy L. Courier is a professor of information and technology management. She teaches courses in application software to all majors in the university. She has published in Journal of Business Cases and Applications, Journal of Computer Information Systems, Annals of Cases on Information Technology, Journal of Information Systems Education and The Journal of Information Technology Management.

Joe Joseph is the Dana Professor of Accounting and teaches advanced accounting, financial statement analysis and accounting information systems. He has published in more than 25 journals including Information Systems Security, Information & Management, Issues in Accounting Education, Planning for Higher Education and IS Audit & Control Journal.

AN INVESTIGATION OF DIGITAL LITERACY NEEDS OF STUDENTS

This paper describes the results of a survey of teaching faculty at a medium-sized university in the southeastern United States to determine core curriculum items that should be taught to ensure that graduates have the capabilities and skills to fully participate in the digital society. There was considerable agreement between the colleges regarding the importance of twenty aspects of digital literacy. Application skills continued to be viewed as very relevant. However, our findings also show the need for a greater focus on information literacy skills that go beyond the focus of the current one-credit-hour software applications course designed to achieve computer application literacy. A case can be made for additional topics to be included in the curriculum common to all students such as ethics, security and privacy, and how to validate the relevance and usefulness of data. The study also highlights the need for discipline-specific topics to be embedded in subject-knowledge courses.

More information about digital literacy needs of students is provided in the following article: Nelson, K., Courier, M. and Joseph, G. W. (2011) "An Investigation of Digital Literacy Needs of Students" *Journal of Information Systems Education* Vol. 22, No. 2, pp. 95 – 109.


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Erika Matulich is a tenured professor of marketing and a professional certified marketer. She has a Ph.D. in marketing and social psychology from the University of Wisconsin-Madison, an MBA in marketing and statistics and a BBA in marketing and journalism from Texas Christian University. She is named in Who's Who in the World, Who's Who among American Educators, and Who's Who among American Women. Matulich has conducted more than 1,000 consulting and training projects with small businesses, not-for-profits, and Fortune 500 companies around the world. She has more than 100 publications in the form of journal articles, book chapters and conference proceedings. Her areas of expertise include high-technology marketing, strategic marketing planning, and innovations in teaching pedagogy. Her specific research interests include marketing targeted to children, sustainability, use of online surveys and student information processing.

Raymond Papp is a tenured associate professor of information technology and management and also serves as the associate director of the Honors Program. He has a Ph.D. in information management from Stevens Institute of Technology. His research interests include Strategic Alignment, IT for Competitive Advantage and Pedagogical Issues in IT. His book Strategic Information Technology: Opportunities for Competitive Advantage highlights the use of information systems to achieve competitive advantage and contains numerous cases and research on strategic information systems. He has published in numerous academic journals as well as presented at national and international conferences. Prior to academia, he worked in the computer industry as a senior analyst and currently maintains a consulting practice through his company Tampa Technologies.

NEGOTIATING THE DEAL: USING TECHNOLOGY TO REACH THE MILLENNIALS

"Let's Make a Deal," a popular game show when Baby Boomers were in college, has become the mantra of the Millennial generation, much to the chagrin of their instructors and parents. Millennials are constantly looking for "the deal" and wanting to know WIIFM (What's In It For Me)? Given the generational differences between most students and their instructors, the use of learning methodologies and technology in the classroom becomes important in engaging the short attention span of this generation. Millennials are a technologically-oriented and savvy generation, and many professors do not share their skills or attitude concerning technology. Adapting to these students and incorporating online and social networking in the classroom is vital to engage these students. So the next time your students ask you WIIFM?, you can respond to them using technologies and pedagogies they are comfortable with and use daily. Furthermore, if you incorporate many of the pedagogies and technologies discussed in this article, you will most likely be seen as a Digital Native and not as a Digital Immigrant.

Instructors need to reassess their teaching methods and syllabi to garner Millennials' interest. By using collaborative experiences, role playing, case studies, brainstorming, discussion, simulations and group projects, instructors can reach the visual and kinesthetic learner. Incorporating different pedagogies and learning outcomes can facilitate Millennials' grasp of the concepts. Continuous improvement and enhancement of courses to adapt to changing student needs and learning styles will engender more engaged and prepared students who will be able to compete in the dynamic global marketplace of the new millennium.

Adapting to the Millennials is important, but a new type of learner will be here tomorrow, one that most likely has differing expectations and views technology even more uniquely. As instructors, we need to acknowledge and adapt to new learning styles, lest students "tune us out" and find the material irrelevant. Millennials have grown up with technology and think nothing of it—it's a part of their everyday lives. Instructors need to become more comfortable with technology and incorporate it into the classroom and into their courses. Course delivery methods should employ technology where appropriate and offer the student several learning options. Find multiple solutions and engage students. Read about the newest technologies and attend conferences to learn about what's new and on the horizon. Modify your classes to include activities such as brainstorming, peer exchange, debate, concept mapping, case involvement and an authentic project. A multidimensional approach is the path to success.

Nevertheless, some learning outcomes remain over time such as communication skills, critical thinking, problem solving, and collaboration. Focus on these more, add technology to the mix and your classes will be more relevant and interesting to students. College teaching is a process of continuous improvement, not one of finding a single teaching method and staying with it forever, but exploring new paradigms and technologies to make your classes even better.

So the next time your students ask you WIIFM?, you can respond to them using technologies and pedagogies they are comfortable with and use daily. Furthermore, if you incorporate many of the pedagogies and technologies discussed in this article, you will most likely be seen as a Digital Native and not as a Digital Immigrant.

More information about using tech to reach the millennials is provided in the following article: Papp, R., and Matulich, E. (2011) "Negotiating the Deal: Using Technology to Reach the Millennials." *Journal of Behavioral Studies in Business* Vol. 4, pp. 1-12.

Teresa M. Pergola, Ph.D. *(not pictured)*
Associate Professor, Accounting

L. Melissa Walters, Ph.D.
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Teresa Pergola is an associate professor of accounting. Pergola teaches Managerial Accounting, Cost Accounting, Advanced Management Accounting and Business Ethics and Corporate Governance. Pergola's primary research interests are in the areas of corporate governance, ethics and instructional resource development. Pergola's research has been published in a variety of journals such as Corporate Governance, The International Journal of Business in Society, The Journal of Business Cases & Applications, Issues in Accounting Education, The International Journal of Finance and Accounting Studies, and The Journal of Instructional Pedagogies.

Melissa Walters is an associate professor of accounting. Walters teaches Accounting Information Systems, Accounting Systems Control, Advanced Management Accounting, and Business Ethics and Corporate Governance. Walters' primary research interests are in the areas of critical/social accounting, information systems and instructional resource development. Recent peer-reviewed article publications include: "An Imaginative Exercise for Teaching Transaction Cycles in an AIS Course" published in AIS Educator Journal, "An Evaluation of Web-Based Learning Systems" (co-author Teresa Pergola) published in Journal of Instructional Pedagogies, "Assessing Password Threats: Implications for Formulating University Password Policy" (co-author Erika Matulich) published in Journal of Technology Research, "Metaphors and Accounting for Stock Options" (co-author Joni Young) published in Critical Perspectives on Accounting and "A Draft of an Information Systems Security and Control Course" published in Journal of Information Systems.

EVALUATING WEB-BASED LEARNING SYSTEMS

Accounting educators continuously seek ways to effectively integrate instructional technology into accounting coursework as a means to facilitate active learning environments and address the technology-driven learning preferences of the current generation of students. Most accounting textbook publishers now provide interactive, web-based learning systems as a supplement to their textbooks. However, there are critical differences across publishers with respect to the system's interface, functions, content, features, and support. These differences directly impact the effectiveness of a web-based learning system as an instructional tool and as a corollary, may impact the ultimate utility of the associated textbook as a pedagogical resource. As such, an evaluation of available web-based learning systems is an essential component of the textbook review process and should consist of a meticulous evaluation of the system's functionality and features in light of instructor and student needs and preferences. Unfortunately, given the functional intricacies and disparity in features across web-based learning systems, this can be a daunting task. The purpose of this paper is to offer accounting educators some practical guidance on evaluating web-based learning systems prior to adoption. This guidance is presented in the form of a framework based on key processes underlying the systems development life cycle (SDLC), a logical process model used by systems professionals to guide the acquisition and/or development of information systems.

For more information on evaluating web-based learning systems, please refer to the following article: Pergola, T., Walters, M. (2010) "Evaluating Web-Based Learning Systems." *Journal of Instructional Pedagogies* Vol. 5, pp. 1-17.

Randall Rentfro, Ph.D.
Associate Professor of Accounting

Randall Rentfro earned a Ph.D. in accounting from Florida Atlantic University and joined the UT faculty in 2011. In 2010, he and two colleagues received a Governmental Accounting Standards Board (GASB) grant to study tax abatement activities. The same group also received the 2010 National Author Award from the Association of Government Accountants (AGA). Their latest article Assessing Citizen Access to Performance Measures on State Government Websites was published in the Journal of Public Budgeting, Accounting, and Financial Management.

ASSESSING CITIZEN ACCESS TO PERFORMANCE MEASURES ON STATE GOVERNMENT WEBSITES

Performance measurement is common in state and local governments. However, having a performance measurement system does not guarantee that results are shared with the citizenry. In this study, we developed and executed six search processes to evaluate the relative accessibility of performance information on state government websites. The processes were intended to model various ways in which citizens might search state government websites to find performance reports. Four processes reflected a bureaucratic paradigm (i.e., a departmental or hierarchical model in which citizens need to know what organizations within the government are likely to be repositories of performance data), and two processes reflected e-government paradigm (i.e., a portal website design that reorganizes information according to the users' perspective and interest). After accessing each state government's main website, we executed all six processes and documented the effectiveness of each process in locating performance data. Based on our results, we concluded that while state government websites exhibit characteristics of both bureaucratic and e-government paradigms, more websites follow the bureaucratic paradigm when providing access to performance information. That is, citizens are not likely to find performance information unless they know which departments in the government (e.g., offices of management and budget) are likely to collect and report performance measures. The search processes reflecting the e-government paradigm were effective in only a limited number of states, which suggests that the e-government perspective is not widely used when performance reporting is incorporated into state government websites.

Being truly accountable to citizens by providing easy access to performance reports is one way that states can foster greater citizen participation in democratic processes. Based on our results, it appears that states are missing the opportunity to inform and engage citizens through performance reporting. Many state governments have excellent performance reports with performance measures for every state agency. Some of these reports include historical information showing trends in performance, and a few even provide informative, easy-to-understand graphs. It is puzzling to us that these reports are not highlighted on state websites.

We believe that state governments as a whole are failing to see performance reporting as an essential tool in managing the government-citizen relationship. By not providing easy online access to performance information, states are signaling that they do not see the value in sharing performance data with citizens. This is unfortunate as citizens become cynical of government when they do not understand what their government is achieving and how government benefits the citizenry. Simple changes to state websites could send an entirely different signal to citizens and could be the beginning of improved government-citizen relations.

More information about assessing citizen access to performance measures is provided in the following article: Harris, J., McKenzie, K. and Rentfro, R. (2011) "Assessing Citizen Access to Performance Measures on State Government Websites." *Journal of Public Budgeting, Accounting, and Financial Management,* Vol. 23(1): 117-138.

Earl Simendinger, Ph.D.
Professor of Management

Earl Simendinger is a tenured professor of management, formerly a tenured professor at Central Michigan University. He was a hospital administrator for 20 years, and he holds a doctorate degree in organizational behavior from Case Western Reserve University and two master's degree — one in health care administration from Washington University in St. Louis, MO and the second in industrial engineering. Simendinger was a fellow of the American College of Health Care Executives. He has co-authored or co-edited nine books and published more than 60 articles in health care, management and teaching journals. He is an active business consultant as well. Simendinger developed and co-delivered the AACSB Teaching Effectiveness Seminar for the first time in 2006. He continues to coordinate and is the master teacher of the bi-annual seminar. The seminar provides innovative methods and a framework for effective teaching in today's increasingly competitive academic environment to university professors worldwide. Participants gain knowledge, skills, and tools needed to balance the call for scholarship with the creation and delivery of highly relevant, student-focused courses. He is president of Organization Designers, a management and organizational development consulting firm focusing on organizational redesign, executive leadership training, corporate board development programs and strategic and tactical planning.

HOW TO IMPROVE YOUR TEACHING EFFECTIVENESS: THE PROS, CONS AND APPLICATION OF PERSONAL RESPONSE DEVICES [PDR]

This is an article that explains how teaching effectiveness can be increased from implementing a recently available technology in a university professor's classroom, and goes on to outline the learning advantages, as well as, the challenges associated with its implementation. Few technologies have come along that have had more impact in the classroom than this technology. Because the experience was so positive for the students and professor, the article was written to call attention to this technology with the author's hopes that others will test the technology in their classrooms and experience the same learning advantages.

They are known by a variety of names, including, but not limited to, personal response devices, audience response systems, and electronic voting systems, or clickers. The handheld devices, similar to a garage door opener, give the students several choices one through ten. They are used to respond to a question from the teacher. Those responses may then be projected in front of class in the form of bar charts or other type of charts so students can see their response to the question compared to all their classmates.

There use gives the professor the ability to gauge student levels of understanding and whether or not students are keeping pace with assigned course work. An important advantage of clicker use in the classroom is accomplished through assessment of the data flowing from the students clickers which allows instructors to make real time modifications or instant changes to what and how material is being presented resulting in a classroom experience that allows added interaction between students and teachers.

Students appreciate the speed of the feedback attained from using clickers, since they no longer have to wait until future class periods when quizzes are returned to assess their comprehension of a topic, students are quickly able to see which questions they answer correctly and then modify their thought processes or review material that they have identified as areas of weakness. They also enhance classroom instruction by allowing students to discuss with classmates the answers to questions on a particular lecture topic after answering incorrectly.

For more information on how to improve your teaching effectiveness, please refer to the following article: Simendinger, E. (2010) "How to Improve Your Teaching Effectiveness: The Pros, Cons, and Application of Personal Response Devices [PDR]." *International Journal of Teaching and Case Studies* (11 Pages).

Christine Harrington, Ph.D.
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Walter Smith, Ph.D.
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Christine Harrington is an assistant professor of finance. She holds a Ph.D. from West Virginia University, and has an M.A. in both accounting and economics from The Ohio State University. Her research interests include corporate finance and the market for corporate control.

Walter Smith is an associate professor of accounting. He holds a Ph.D. in Accounting and a B.S. in production and operations management from The Ohio State University and a B.A. in accounting from Marietta College. His teaching experience includes international accounting, cost accounting, advanced financial accounting, individual taxation, accounting tools and accounting information systems. Smith's current research interests include corporate accounting/finance, international accounting and pedagogical issues.

DO WINDFALL NON-DEBT TAX SHIELDS FROM ACQUISITIONS AFFECT CORPORATE DEBT ISSUES?

In February 2009, Liberty Media Corp. announced that it would rescue Sirius XM Radio Inc. from a bankruptcy filing by investing $530 million in exchange for a 40 percent equity stake. According to the Wall Street Journal, one of the reasons for Liberty's interest in Sirius is the potential to harness its $6 billion in tax losses (Drucker and Karnitschnig, 2009). Tax losses occur when a firm has a negative taxable income. This type of tax shield may be used to offset taxable income by first carrying the loss back to prior years and receiving a tax refund and then carrying the loss forward to offset future taxable income. A tax synergy exists when the acquiring company has the ability to use the tax shields of the acquired company to reduce their future tax bills. Tax synergies are textbook explanations for acquisitions, but there is little empirical support for this notion.

Our paper addresses the idea of tax synergies by examining firms that, as a result of purchasing another firm, gain large future tax bill reductions or "windfall" future tax offsets. We focus on the acquisition of non-debt tax shields which includes tax shields from all sources but interest expense. To ensure consistent tax treatment, our sample includes only U.S. firms that buy other U.S. firms. We study how acquiring firms finance themselves following the acquisition of windfall tax benefits. A firm needing external funds will either borrow money or issue additional stock. Because interest paid is tax deductible but dividends paid are not tax deductible, borrowing funds has the advantage of reducing tax future bills as compared to issuing stock. If tax synergies are strong motives for acquisitions, then we expect the sample of acquirer firms to be less likely to borrow money for the sole purpose of the tax benefits of debt. In other words, the acquirer has less incentive to seek tax benefits in the form of interest paid on long-term debt compared to other firms who do not acquire non-debt tax shields. Isolating the possible association between debt issues and tax motives from other influential factors for issuing debt, we find that the post-acquisition financing behavior of our focus sample is no different from any other firm that did not purchase large future tax benefits. The findings in our study suggest that the potential of buying future tax shields is not a very important reason for acquisitions.

More information about non-debt tax shields from acquisitions is provided in the following article: Harrington, C., Smith, W., Ghosh, S. (2011) "Do Windfall Non-Debt Tax Shields from Acquisitions Affect Corporate Debt Issues?" *Managerial Finance* Vol. 37, No. 6.

John Robert Stinespring, Ph.D.
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John Stinespring specializes in the impact of tax and fiscal policy on economic growth. His other research interests include tax evasion, financial crises, the economic history of the Roman Empire, microeconomic theory and the economics of religion. Stinespring is a frequent guest on Fox 13, Bay News 9, and other media outlets and provides consulting services in both economic and statistical analysis.

DYNAMIC SCORING, TAX EVASION AND THE SHADOW ECONOMY

Can tax cuts pay for themselves? Many politicians argue that the U.S. economy would receive a boost by decreasing tax rates and that an increase in tax compliance may comprise a significant part of that boost. These ideas have support from recent research that shows lower tax rates often expand the tax base by spurring work effort, savings, and investment, while decreasing tax evasion. But are these incentives from tax cuts enough to raise tax revenues? The answer to this question depends, in part, upon how government policies affect citizens' tax morality and the productivity of private industry.

First, a few facts: the US government estimates that nearly $400 billion of revenue is lost each year to underreporting of taxable income. Were this revenue collected, the government would experience budget surpluses, not deficits, in most years. Though the amount of underreporting is significant in the U.S., it is low in comparative terms. The U.S. enjoys one of the highest tax compliance rates (86%) and has one of the smallest shadow economies (8%) – where much of this underreported production occurs, measured as a percentage of its reported economy – in the world. For comparison, Greece has a shadow economy of 25%, while Brazil's is 40% and tax evasion is pervasive throughout both.

Professor Stinespring's research examines the interaction between government expenditures on economic growth and the tax revenues that result. He shows that government policies affect tax morality – citizens' intrinsic motivation to report income – in many ways. If citizens believe their government is wasteful and fails to provide useful services in return for the taxes paid, tax morality declines, evasion rises and the shadow economy grows. But a government that tries to reduce evasion through extrinsic motivations such as increased enforcement, monitoring, and penalties may actually reduce citizens' intrinsic motivation. In addition, Stinespring's theories suggest that governments that spend more on infrastructure (roads, bridges, airports, hospitals) than on bureaucracy expenditures or transfers (welfare, social security) can incentivize private investment, production, and higher tax revenues at any tax rate. Will such governments experience self-financing tax cuts?

To test the theory, Stinespring calibrates his model to U.S. data on tax morality, the shadow economy, compliance rates, and government expenditures. The results indicate that an income tax cut of five percent would generate enough economic growth to pay for nearly half of the revenue losses from the tax cut. Interestingly, it is the high tax morality and productivity of the infrastructure expenditures in the U.S. that prevents the tax cut from being self-financing.

To read the entire study discussed above, see the article: John R. Stinespring "Dynamic Scoring, Tax Evasion and the Shadow Economy", *Public Finance Review*, vol. 39(1), pp. 50-74.

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THE DIFFERENTIAL FOCUS OF SUPERVISORS AND PEERS IN EVALUATIONS OF MANAGERIAL POTENTIAL

When evaluating the managerial potential of peers and subordinates, our research focused on whether evaluators would focus differently on ratees' particular personality characteristics based on their goals in their roles as supervisors or peers. We hypothesized that supervisors would focus on more task-based personality traits, such as conscientiousness, while peers would instead focus on more contextual personality traits related to likeability, such as agreeableness. From a field study conducted in a Fortune 500 organization on 114 triads of managerial incumbents, peers, and supervisors, we found some support for our hypotheses. Supervisors awarded more favorable evaluations of managerial potential to subordinates with high self-reported levels of conscientiousness and achievement-striving and also lower levels of excitement-seeking. Peers instead awarded higher ratings of managerial potential to their peers with high levels of agreeableness, altruism, tender-mindedness and low levels of openness to experience.

Previous large-scale studies have concluded that agreeableness is a poor predictor of work performance but a good predictor of teamwork. In contrast, conscientiousness has been found to be a reliable predictor of work performance in all occupations studied (Barrick, Mount, and Judge, 2001). Taken in the present context, these findings suggest that peers may be more focused on helping, contextual behaviors than on task-related job performance when making judgments of potentiality. One practical implication of these findings for organizations relates to the validity of supervisor and peer ratings of managerial potential. While ratings from supervisors may be the strongest predictors of task performance, the inclusion of peer ratings may offer incremental validity over supervisor ratings alone in the prediction of overall (task plus contextual) performance. Peer ratings may incorporate certain contextual behaviors discounted by supervisors yet helpful and important for successful managerial performance. These findings may further support the growing use of "360° performance evaluations" that include multiple assessors over the use of "top-down" performance evaluations by supervisors alone.

Barrick, M. R., Mount, M. K., & Judge, T. A. (2001) Personality and performance at the beginning of the new millennium: What do we know and where do we go next? *Personality and Performance*, 9, 9-31.

More information about differential focus of supervisors and peers is provided in the following article: Thomason, S.J., Weeks, M., Bernardin, H.J., and Kane, J. (2011) "The differential focus of supervisors and peers in evaluations of managerial potential." *International Journal of Selection and Assessment*, 19(1).

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Melissa Walters is an associate professor of accounting. Walters teaches Accounting Information Systems, Accounting Systems Control, Advanced Management Accounting, and Business Ethics and Corporate Governance. Walters' primary research interests are in the areas of critical/social accounting, information systems and instructional resource development. Recent peer-reviewed article publications include: "An Imaginative Exercise for Teaching Transaction Cycles in an AIS Course" published in AIS Educator Journal, "An Evaluation of Web-Based Learning Systems" (co-author Teresa Pergola) published in Journal of Instructional Pedagogies, "Assessing Password Threats: Implications for Formulating University Password Policy" (co-author Erika Matulich) published in Journal of Technology Research, "Metaphors and Accounting for Stock Options" (co-author Joni Young) published in Critical Perspectives on Accounting and "A Draft of an Information Systems Security and Control Course" published in Journal of Information Systems.

AN IMAGINATIVE EXERCISE FOR TEACHING TRANSACTION CYCLES IN AN AIS COURSE

An understanding of transaction cycle processes is requisite knowledge for accounting professionals and core content within most undergraduate accounting information systems (AIS) courses. However, effectively covering transaction cycle processes within an AIS course can be a difficult, time-consuming, and tedious task. This paper presents a simple but versatile instructional exercise developed to facilitate practical understanding of transaction cycle processes while reducing the time-taxing tedium of covering this material in class. The exercise is designed to help accounting students develop a practical, working understanding of primary transaction processing cycles (revenue cycle, expenditure cycle, and production cycle). The exercise materials provide a list of different business types for students to analyze; each exercise type encompasses key revenue, expenditure, and production cycle elements. Exercise requirements ask students/student teams to select a business from the list and then envision the selected business by relating to a real-world business of a similar type. Students/student teams are then asked to apply course concepts to describe the business and its core operations processes, identify relevant transaction cycles, describe transaction cycle processes (including activities, data flows, documents, records, and reports), construct logical transaction subprocesses, and then document their understanding of the cycle using logical data flow diagrams. The exercise was developed for an upper-level undergraduate AIS course and is versatile enough to vary breadth of concepts covered and level of complexity. Students responded well to the exercise and assessments indicated positive learning. The transaction cycle exercise and teaching notes are available on the AIS Educator Association website (www.aiseducators.com).

More information about teaching transaction cycles in an AIS course is provided in the following article: Walters, M. (2011) "An Imaginative Exercise for Teaching Transaction Cycles in an AIS Course." *AIS Educators Journal*, Vol. 6, (1).

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Giles Hertz serves as the faculty advisor for the UT Student Government Association and is a member of the UT Academic Appeals Committee, the College of Business Undergraduate Curriculum Committee and the Entrepreneurship Center Advisory Board. Prior to joining the faculty at UT, Hertz was an assistant professor of management and entrepreneurship at Northern Kentucky University (NKU). During his tenure at NKU, Hertz was an integral part of the NKU Entrepreneurship Institute (NKU EI) where he served as a key faculty member and a member of the institute's advisory board. In 2006 the NKU EI was recognized as one of the top 25 undergraduate entrepreneurship programs in the U.S. by the Princeton Review and Entrepreneur Magazine and received the 2007 National Consortium of Entrepreneurship Centers (NCEC) award for Excellence in Entrepreneurship Teaching and Pedagogical Innovation. The NKU EI was also recognized as one of the top 50 MBA programs in the U.S. by Women 3.0 Magazine, and in 2004, the EI received the AACSB Innovation in Leadership of Business Education Award. Prior to joining the faculty at NKU, Hertz maintained a general civil practice as a partner in the Florence, KY law firm of Monohan, Hertz & Blankenship, then later as an associate with the Cincinnati law firm of Finney, Stagnaro, Saba, & Klusmeier. Hertz is a member of the Kentucky Bar Association; the United States Association for Small Business and Entrepreneurship, an affiliate of the International Council for Small Business; the National Federation of Independent Business; the Business Transition Council of Tampa; and the Rotary Club of Tampa.

FILTERING OUT FATAL FLAWS: MODELING THE EARLY SCREENING STAGE OF PRIVATE EQUITY INVESTMENT DECISIONS

Research has shown that decision models may be valuable for both entrepreneurs and investors and that during the process of deciding whether to invest in specific ventures, Venture Capitalists (VCs) rely heavily on the specific expertise that they possess in identifying potentially highly profitable ventures. This expertise has been attributed to the accumulation of knowledge, experience, access to networks, and other necessary information. Over time, investors in early stage companies develop *mental models* that guide their decisions about investing. These models typically are based on prior experience and prior knowledge. Like other decision-making models, such as testing a consumable product and then making buying decisions based on experience, these mental models (often referred to as actuarial models) can help simplify the decision about whether to consider a business plan for investment.

The idea of using actuarial models for investment decisions is not new. If one looks at the history of debt markets – where there are similar circumstances – we see that actuarial modeling has been widely adopted. For example, a well-known actuarial model for credit scoring is Fair Isaac Company's BEACON score. The BEACON score provides a scaled number that is used, for among other things, to evaluate the creditworthiness (the likelihood of repayment of debts) of individual borrowers. By lending to individuals with higher BEACON scores, agencies such as banks and credit card companies, who receive a large number of applications on a daily basis, reduce their risk of a borrower defaulting on a loan by using these scores when making decisions.

The mental models used by VCs typically include both factors that are *deal-makers* – such as defendable intellectual property that will provide the early stage company with a temporary monopoly – and *deal-breakers* – such as an entrepreneur who is not "coachable." In this research, we refer to the former as a critical success factor and the later as a fatal flaw.

Building upon prior research, the authors developed and tested a decision tool that suggests it is possible to successfully model the business opportunity screening stage of the venture capital investment process. As a result of the testing, the authors identified critical success factors – entrepreneurial experience and potential for adequate margins – and fatal flaws – lack of entrepreneurial experience, incomplete financials and a poor quality business plan – that can impact equity investment decisions.

More information about filtering out fatal flaws is provided in the following article: White, R.J., G.T. Hertz and R.D. D'Souza (2011) "Filtering out Fatal Flaws: Modeling the Early Screening Stage of Private Equity Investment Decisions." *Journal of Business and Entrepreneurship*, Vol. 23 (1), pp. 68-92.

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