

Newsletter

Faculty Research Publications



Published Articles

Contact: pcardona@ceibs.edu

Cai, Jiangnan (John). 2013. "Physician Multiple Working Positions". *China Health*. 2013 (9).
Contact: jncai@ceibs.edu

Cai, Jiangnan (John). 2013. "The Direction of Healthcare Reform is Socialization of Medical Resources". *China Civil Entrepreneur*. 2013 (9).
Contact: jncai@ceibs.edu

Cai, Jiangnan (John). 2013. "The Dilemmas of Healthcare". *China Hospital CEO*. 2013(15).
Contact: jncai@ceibs.edu

Cai, Jiangnan (John) and Ding, Zhulin. 2013. "Where is the Road for Revitalization of Chinese Medicine?". *China Health*. 2013 (8).
Contact: jncai@ceibs.edu

B. Sebastian Reiche, Cardona, Pablo, Lee, Yih-Teen, Miguel Ángel Canela, & CCM collaborators. forthcoming. "Why do Managers Engage in Trustworthy Behavior? A Multilevel Cross-Cultural Study in 18 Countries". *Personnel Psychology*. (A*).

Abstract: Drawing on theories of generalized exchange and the norm of indirect reciprocity, we conceptualize subordinates' organizational citizenship behavior directed toward the organization (OCBO) and directed toward peers (OCBI) as antecedents of managerial trustworthy behavior and examine how managers' affective trust in subordinates mediates this relationship. We also investigate the extent to which this mediation is moderated by the level of collectivism in a society. Data were collected from 741 managers and 2,111 subordinates in 18 countries representing all major cultural regions of the world. We find support for our hypothesized moderated mediation in that managers' affective trust in subordinates mediates the relationships between both subordinates' OCBO and managerial trustworthy behavior, and subordinates' OCBI and managerial trustworthy behavior across the different countries studied. Further, managers' affective trust in subordinates only mediates the relationships between both types of citizenship behavior and managerial trustworthy behavior when collectivism is low to medium but not when it is high. Implications for research on cross-cultural psychology, trust, and organizational citizenship behavior are discussed.

Paper: <http://onlinelibrary.wiley.com/doi/10.1111/peps.12038/abstract>

Cronqvist, Henrik and Siegel, Stephan. forthcoming. "The Genetics of Investment Biases". *Journal of Financial Economics*. (FT45).

Abstract: For a long list of investment "biases," including lack of diversification, excessive trading, and the disposition effect, we find that genetic differences explain up to 45% of the remaining variation across individual investors, after controlling for observable individual characteristics. The evidence is consistent with a view that investment biases are manifestations of innate and evolutionary ancient features of human behavior. We find that work experience with finance reduces genetic predispositions to investment biases. Finally, we find that even genetically identical investors, who grew up in the same family environment, often differ substantially in their investment behaviors due to individual-specific experiences or events.

Paper: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2009094

Contact: hcronqvist@ceibs.edu

Stouten, Jeroen, van Dijke, Marius, Mayer, David M., De Cremer, David, and Euwema, Martin C.. 2013 Oct. "Can a leader be seen as too ethical? The curvilinear effects of ethical leadership". *The Leadership Quarterly*. (A*) Volume 24, Issue 5, pp. 680–695.

Abstract: Ethical leadership predicts important organizational outcomes such as decreased deviant and increased organizational citizenship behavior (OCB). We argued that due to the distinct nature of these two types of employee behaviors, ethical leadership decreases deviance in a linear manner (i.e., more ethical leadership leading to less deviance), but we expected ethical leadership to reveal a curvilinear relationship with respect to OCB. Specifically, we expected that, at lower levels, ethical leadership promotes OCB. However, at high levels, ethical leadership should lead to a decrease in these behaviors. We also examined a mechanism that explains this curvilinear pattern, that is, followers' perceptions of moral reproach. Our predictions were supported in three organizational field studies and an experiment. These findings offer a better understanding of the processes that underlie the workings of ethical leadership. They also imply a dilemma for organizations in which they face the choice between limiting deviant employee behavior and promoting OCB

Paper: <http://dx.doi.org/10.1016/>

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[j.leaqua.2013.05.002](#)

Contact: ddecremer@ceibs.edu

Joosten, Anne, van Dijke, Marius, Van Hiel, Alain, and De Cremer, David. forthcoming July. "Feel Good, Do-Good!? On Consistency and Compensation in Moral Self-Regulation". *Journal of Business Ethics*. (FT45).

Abstract: Studies in the behavioral ethics and moral psychology traditions have begun to reveal the important roles of self-related processes that underlie moral behavior. Unfortunately, this research has resulted in two distinct and opposing streams of findings that are usually referred to as moral consistency and moral compensation. Moral consistency research shows that a salient self-concept as a moral person promotes moral behavior. Conversely, moral compensation research reveals that a salient self-concept as an immoral person promotes moral behavior. This study's aim was to integrate these two literatures. We argued that compensation forms a reactive, "damage control" response in social situations, whereas consistency derives from a more proactive approach to reputation building and maintenance. Two experiments supported this prediction in showing that cognitive depletion (i.e., resulting in a reactive approach) results in moral compensation whereas consistency results when cognitive resources are available (i.e., resulting in a proactive approach). Experiment 2 revealed that these processes originate from reputational (rather than moral) considerations by showing that they emerge only under conditions of accountability. It can thus be concluded that reputational concerns are important for both moral compensation and moral consistency processes, and that which of these two prevails depends on the perspective that people take: a reactive or a proactive approach

Paper: <http://link.springer.com/article/10.1007/s10551-013-1794-z>

Contact: ddecremer@ceibs.edu

Sterling, S. M., Kidwell, V. L., Labianca, J., & Moon, H. 2013. "Managing sequential task portfolios in the face of temporal Atypicality and task complexity". *Human Performance*. Volume 26, Issue 4, pp. 327-351.

Abstract: The authors use a portfolio of sequential tasks to investigate how accurately study participants stick to assigned deadlines when they need to transition from one task to another. Atypical deadlines, task complexity, and individual differences all affect transition error size, error correction, and task performance. In Experiment 1 (N = 108), larger task transition errors were related negatively to task performance and were associated with atypical deadlines (e.g., 4:53 or 4:57), complex tasks, and individuals lower in the general hurry characteristic. In Experiment 2 (N=95), individuals facing atypical deadlines or lower in need for cognition were less likely to correct transition errors (i.e., getting back to the original schedule), which negatively affected performance. Theoretical and practical implications are discussed.

Paper: <http://www.tandfonline.com/doi/full/10.1080/08959285.2013.814658>

Contact: hmoon@ceibs.edu

Moon, H., Marinova, S. V., & Levne, E. 2013. "Understanding the independent influence of duty and achievement striving when predicting the relationship between conscientiousness and organizational culture profiles and helping behaviors". *Journal of Personality Assessment*. 95(2), 225-232.

Abstract: The theory that 2 facets of the factor conscientiousness,

duty and achievement striving, are related to self- or other-centered motives, is supported in 2 studies. In Study 1 (N = 204 undergraduates), the self-centered facet of achievement striving was found to be the most important predictor of attraction toward organizational cultures that were outcome-based, aggressive, and emphasized rewards. Achievement strivers were less attracted to supportive and decisive organizations. In Study 2 (N = 189 part-time MBA students) the other-centered facet of duty was found to be predictive of helping behaviors. Theoretical and practical implications are discussed.

Paper: <http://europepmc.org/abstract/MED/23171231/reload=0;jsessionid=zqtO9TzDB9nWaBgux4Kc.16>

Contact: hmoon@ceibs.edu

Tsai, Terence, Lu, Shaohua, Liu, Gary, and Liu, Shubo. 2013 June. "Beijing Tianyu Communications: Winning in the 3G Era". *Asian Case Research Journal (ACRJ)*. Volume 17, Issue 01.

Abstract: As emerging markets such as mainland China grew to be vital for the global commercial players, leading mobile telecommunication giants increasingly turned to China for opportunities. China's fast-expanding mobile telecommunication market became a throat-cutting battlefield for both international and local players. Among these competitors, Rong Xiuli's Tianyu had the local advantages. In order to sustain Tianyu's hardearned success, Rong decided to upgrade Tianyu brand and firmly secure a foothold in the 3G era.

In 2002, Rong Xiuli closed Beijing Benephon, the then largest distributor of Samsung Mobile Phone in the Chinese market, and established Beijing Tianyu Communication Equipment Co. Ltd (hereinafter referred to as "Tianyu") entering the handset manufacturing industry. Despite the growing pains in the beginning, Tianyu eventually went ahead of other domestic mobile phone manufacturers. In 2008, Tianyu reached a sales volume of 24 million mobile phones and a market share of more than 6%, ranking after Nokia, Samsung, and Motorola in the Chinese mobile phone market.

A transition from the second generation (2G) communication technologies to the third generation (3G), however, was initiated at the end of 2008. Mobile phone manufacturers responded by investing heavily on technology upgrades. 3G also elevated the position of telecommunication operators in the industry value chain. As such, Tianyu's advantage in the 2G market could not necessarily guarantee its success in the 3G market. Adding to the uncertainties, demands for 2G mobile phone dropped sharply due to the 2007–2008 global financial crisis.

Despite the oppositions from many colleagues, Rong Xiuli launched a campaign to win the 3G market, reconfiguring almost all the resources to the new business. The case describes Tianyu's success in the 2G mobile phone market and its entry into the 3G market.

Paper: <http://www.worldscientific.com/doi/abs/10.1142/S0218927513500053>

Contact: terence@ceibs.edu

Xiang, Yi, and Soberman, David. forthcoming. "Consumer Favorites and the Design of News". *Management Science*. (FT45).

Abstract: The objective of this paper is to better understand the factors that competitive news providers consider to design or deliver news programmes. The focus is broadcast news where, in any programming time period, a viewer watches (or consumes) one programme. We assume that each viewer is interested in a limited set of topics and that her utility only comes from the "most interesting" news she observes. The key questions we address are as follows: (a)

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Should firms adopt designs that facilitate the delivery of more information in their news programmes? (b) Does the decision of firms to implement such strategies depend on the complexity of the news programme (i.e., the number of news stories covered in the news product)? (c) How do such strategies influence competition? We show that firms may or may not benefit by providing better-designed news. The incentive to do this is strongly affected by the complexity of the news product and the intensity of competition between news providers.

Paper: <http://mansci.journal.informs.org/content/early/2013/09/16/mnsc.2013.1742>
Contact: yixiang@ceibs.edu

Xiang, Yi, and Sarvary, Miklos. 2013 Sep. "Buying and selling information under competition". *Quantitative Marketing and Economics*. Volume 11, Issue 3, pp 321-351.

Abstract: Markets for information products exhibit varying degrees of competition on both the supply and the demand side. This paper studies the potential complementarity of information products, equilibrium information buying behaviors and information price setting in such markets. Our game-theoretic model consists of two information providers selling imperfect information to two competing clients and allows for different information quality levels as well as varying degrees of client competition. Absent of client competition, information providers compete on the statistical properties of the information they supply (i.e., the accuracy of the information). The competitive price can be high because of potential complementarity among information products when these are not very reliable. However, this may change when the clients are competing against each other. We adopt a reduced-form model of buyer competition that reflects situations where information buyers face discrete alternatives. We find that a buyer gains more through information acquisition when its competitor is less informed, suggesting a first mover advantage in information acquisition. More importantly, we also find that intense client competition can make the information products more substitutable, resulting in a lower equilibrium price for information. Furthermore, this effect leads to harsh competition between information providers and consequently provides incentives for exclusive contracting. In summary, it is found that the "quality" of information has a very different impact on sellers' profits depending on the degree of client competition.

Paper: <http://link.springer.com/article/10.1007/s11129-013-9135-1>
Contact: yixiang@ceibs.edu

Xu, Bin. September 26, 2013. "Policy Design of Shanghai Free Trade Zone Requires Big Wisdom". *Shanghai Securities News*.

Contact: xubin@ceibs.edu

Yang, Y., Read, S. J., Denson, T. F., Xu, Y., Zhang, J., & Pedersen, W. C. forthcoming. "The key ingredients of personality traits: Situations, behaviors, and explanations". *Personality and Social Psychology Bulletin*. (A*)

Abstract: The trait and social cognitive perspectives are considered disparate approaches to understanding personality. We suggest an integrative view in which three elements derived from the social cognitive perspective (i.e., situations, behaviors, and explanations [SBEs]), form the basis of personality traits. Study 1 demonstrated strong associations between traits and SBEs across the Big Five dimensions. Studies 2 through 7 tested the discriminative validity, internal structure, and unique contributions of the individual components of SBEs. Studies 8 and 9 demonstrated that the strong associa-

tions between traits and SBEs generalize to different cultures. The present work suggests that SBEs may be a universal folk psychological mechanism underlying personality traits.

Paper: <http://www.yu-yang.com/papers/>

Yang Read Denson Xu Zhang Pedersen In Press PSPB.pdf

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Senn, Christoph, Thoma, Axel, and Yip, George S.. 2013. "Customer-Centric Leadership: How to Manage Strategic Customers as Assets in B2B Markets". *California Management Review*. (FT45) Spring 2013, Vol. 55, No. 3, pp. 27-59.

Abstract: In this age of tough, global competition, companies in business-to-business markets need to rethink the way they manage their customer portfolio and interact with their customers. Customer managers with mainly sales- or relationship-oriented roles cannot leverage their business relationships with customers who seek co-creation. For such co-creation relationships, companies need to install network-oriented managers who systematically create value and reduce risk together with the customer. This article distinguishes three customer asset management perspectives (i.e., sales, relationship, and network) that may be employed by customer managers at the supplier-customer interface. Following an explication of the evolving network perspective, it describes how firms can nurture the network perspective and the corresponding customer manager role in terms of mindset, context, and competence

Paper: <http://www.istor.org/action/showArticleInfo?doi=10.1525%2Fcmr.2013.55.3.27>

Contact: gyip@ceibs.edu

Zhao, Xiande, Li, Yina, and Flynn, Barbara B.. 2013 Mar. "The financial impact of product recall announcements in China". *International Journal of Production Economics* (A*). Volume 142, Issue 1, pp. 115-123.

Abstract: A product recall can be viewed as a firm's worst nightmare. Although the long-term damage to brand equity and company reputation may be difficult, if not impossible, to quantify, the short-term impact on shareholders' wealth is readily estimable. While many studies have examined this issue in the Western context, little is known about the financial impact of a product recall announcement in China. To advance the knowledge about the financial impact of a product recall announcement, we explore this issue using event study methodology. In general, our findings are congruent with previous research that product recalls result in negative abnormal returns. Interestingly, however, we found that Chinese companies suffered from greater financial losses than their Western counterparts did. This study also provides evidence that the Chinese food industry experiences a more severe stock market reaction than the automobile industry and that a passive recall strategy was associated with a more negative stock market reaction than a proactive recall strategy. We conclude with several future research avenues for global research on product recalls.

Paper: <http://dx.doi.org/10.1016/j.ijpe.2012.10.018>; <http://www.sciencedirect.com/science/article/pii/S0925527312004598>

Contact: xiande@ceibs.edu

Huo, Baofeng, Han, Zhaojun, Zhao, Xiande, Zhou, Honggeng, Wood, Craig H., Zhai, Xin. forthcoming. "The impact of institutional pressures on supplier integration and financial performance: Evidence from China". *International Journal of Production Economics* (A*).

Abstract: With the rapid development of Chinese manufacturing in-

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dustry and economy, there is an increasing emphasis on the Chinese institutional environment. In this study, we examine the impact of the three aspects of institutional pressures – normative, mimetic, and coercive – on the two dimensions of supplier integration – system and process – and their impact in turn on financial performance. We test the relationships with data collected from 617 manufacturers in China. Our results show that normative and mimetic pressures are positively related to both system and process integration; while coercive pressures are only positively related to process integration and not significantly related to system integration. The results also indicate that both system and process integration have a positive impact on financial performance. By developing and testing a theoretical model about institutional pressures, supplier integration, and financial performance in the context of the Chinese manufacturing industry, this study contributes to both the institutional and supply chain management literature, as well as providing a better understanding of Chinese manufacturing practices.

Paper: <http://www.sciencedirect.com/science/article/pii/S0925527313000315>

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Zhao, L., Huo, B., Sun, L., Zhao, Xiande. 2013. "The Impact of Supply Chain Risk on Supply Chain Integration and Company Performance: A Global Investigation". *Supply Chain Management: An International Journal*. Vol. 18, No. 2, pp. 115-131.

Abstract: Purpose – The purpose of this paper is to empirically explore the relationships among supply chain risks (SCRs), supply chain integration (SCI), and company performance in a global context.

Design/methodology/approach – This study is based on the High Performance Manufacturing (HPM) project database collected from 317 manufacturing plants in ten countries and three representative industries (machinery, electronics and transportation components), using structural equation modeling (SEM) methods.

Findings – Results show that SCRs, especially supply delivery risk (SDR), are negatively related to SCI. There is a contingent relationship between SCI and performance. Different types of SCI play different roles in improving different types of company performance. Supplier, internal, and customer integration are the most important drivers for schedule attainment, competitive performance, and customer satisfaction, respectively.

Originality/value – This study is one of the first empirical studies to explore how SCRs affect SCI. It also expands current SCI research by linking three dimensions of SCI with three dimensions of company performance, using the global database collected from HPM companies in ten countries

Paper: <http://www.emeraldinsight.com/journals.htm?articleid=17086930&show=abstract>

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Books

Cardona, Pablo and Morley, M. (editors). 2013. *Manager-Subordinate Trust: A Global Perspective*. Routledge.

Abstract: This volume in the Routledge Global Human Resource Management Series is dedicated to analyzing the process of trust

development between managers and subordinates in different countries of the main cultures of the world. Behaviors and trust are linked in a process that can reinforce or diminish the trust between the two parties. This book examines that process in an array of countries, contextualizing each setting through a brief historical, institutional, and cultural overview. Addressing the dominant HR practices and the main local leadership styles of each country, it draws upon an extensive country-by-country data set of leader-subordinate trust to analyze the universal and culturally-specific elements of this process. With its rigorous research, insightful analysis, and consistent presentation, this book will help readers to systematically compare the process across countries to draw conclusions and analyze HR implications. This book is intended as a text for graduate courses in Cross Cultural Business, International Human Resource Management and Cross Cultural Organisational Psychology. In addition to a student market, the text will also be of interest to the reflective practitioner operating in different cultural settings who requires a contextual knowledge of key aspects of workplace relations, management style and host country situation.

Paper: <http://www.loot.co.za/product/pablo-cardona-manager-subordinate-trust/kdbc-1643-q050>

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Cases

Su, Xijia, Chen, Jieping, Yang, Yu, and Zhu, Jenny. Forthcoming. "商务谈判: 易程科技与上海铁路局(A): 易程科技谈判成员的机密信息". CI-113-011(Chn). (for internal use only).

Contact: sxijia@ceibs.edu; ccharles@ceibs.edu; yyu@ceibs.edu

Su, Xijia, Chen, Jieping, Yang, Yu, and Zhu, Jenny. Forthcoming. "商务谈判: 易程科技与上海铁路局(B): 上海铁路局谈判成员的机密信息". CI-113-012(Chn). (for internal use only).

Contact: sxijia@ceibs.edu; ccharles@ceibs.edu; yyu@ceibs.edu

Su, Xijia, Chen, Jieping, Yang, Yu and Shao, Dan. Forthcoming. "ATB易主谈判博弈(A): 收购方卧龙控股集团的抉择". CI-113-013(Chn). (for internal use only).

Contact: sxijia@ceibs.edu; ccharles@ceibs.edu; yyu@ceibs.edu

Su, Xijia, Chen, Jieping, Yang, Yu, and Shao, Dan. Forthcoming. "ATB易主谈判博弈(B): 出售方A-TEC控股集团的盘算". CI-113-014(Chn). (for internal use only).

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Awards and Honors

Prof. Oliver Rui and Prof. David De Cremer have won 2013 CEIBS Research Excellence Awards. This award will be conferred on the occasion of the EMBA 2011 Graduation Ceremony in the afternoon of 19th October, 2013

Prof. Yu Fang (Frank) and his co-authors Du Qianqian and Yu,

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Xiaoyun have won the CICC Best Paper Award given by the 2013 China International Conference in Finance (CICF) for their paper entitled "Cultural Proximity and the Processing of Financial Information". This is a prestigious award given by the top finance conference in China. There were over 1200 submissions to CICC (the highest in the history of CICC) with about 260 being accepted, and only 3 were selected for the Best Paper Award.

News: <http://www.ceibs.edu/media/archive/113944.shtml>;

Paper available at SSRN: <http://ssrn.com/abstract=2225722>; or <http://dx.doi.org/10.2139/ssrn.2225722>

Prof. Thomas Callarman and his co-authors won Best Paper Award at EDSI Conference at the 4th Annual Conference of the European Decision Science Institute (EDSI) held in Budapest from June 16 to 20, 2013, for their paper, "Industry Intelligence Activities in China". This paper was co-authored with Christian P. J.-W. Kuklinski and Roger Moser.

News: <http://www.ceibs.edu/media/archive/112914.shtml>

Prof. Oliver Rui has received a four-year (from 2014 through 2017) research grant from the National Natural Science Foundation of China (NSFC) for his research project "Stock ownership breadth, price synchronicity and return predictability: Evidence from China".