

Newsletter

Faculty Research Publications



China Depth, Global Breadth

Peer Reviewed Journal Articles

Carney, R. W., Child, Travers and Li, Xiang. forthcoming. "Board connections and crisis performance: Family, state, and political networks". *Journal of Corporate Finance*. (A*).

Abstract: We introduce a novel concept of network interactions in which board connections provide access to external spheres of political influence, state ownership, and family control. We posit this form of indirect access via board association enables connected firms to benefit from information privy to external networks while avoiding their resource-based costs of membership. Board network data are assembled for 1290 East Asian firms and linked to hand-collected data on political connections and corporate ownership around the 2008–09 crisis. Companies with board connections to state-owned firms and family business groups had greater crisis-period accounting performance and stock returns. In countries with weak institutional development, board connections to politically connected firms were also beneficial.

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Child, Travers, Massoud, Nadia, Schabus, Mario and Zhou, Yifan. forthcoming. "Surprise Election for Trump Connections". *Journal of Financial Economics*. (FT50).

Abstract: We exploit Donald Trump's nonpolitical background and surprise election victory to identify the value of sudden presidential ties among S&P 500 firms. In our setting firms did not choose to become politically connected, so we identify treatment effects comparatively free of selection bias prevalent in this literature. Firms with presidential ties enjoyed greater abnormal returns around the 2016 election. Since Trump's inauguration, connected firms had better performance; received more government contracts; and were less subject to unfavorable regulatory actions. We rule out a number of confounding factors, including industry designation, sensitivity to Republican platforms, campaign finance, and lobbying expenditures.

Contact: t.b.child@ceibs.edu

Choi, Jungsil & Park, Hyun Young. forthcoming. "How Donor's Regulatory Focus

Changes the Effectiveness of a Sadness-Evoking Charity Appeal". *International Journal of Research in Marketing*. (A*).

Abstract: Past research offers conflicting findings on whether sadness-evoking charity appeals help solicit a donation. To reconcile these findings, we introduce prospective donors' regulatory focus as a moderator for understanding when and why sadness appeals motivate or demotivate giving. Specifically, we propose that the sense of helplessness or loss of control associated with sadness appeals increases donors' sensitivity to advertiser's manipulative persuasion tactics, as those tactics can threaten donors' control over their donation decision. As a result, sadness appeals are more likely to activate persuasion knowledge among prevention- (vs. promotion-) oriented donors who tend to be vigilant against manipulative persuasion attempts. Across six main studies and two supplementary studies, we find that a prevention (vs. promotion) focus discourages charitable giving when it is solicited using a sadness appeal, whereas regulatory focus does not affect the giving when other emotion appeals (e.g., happiness appeal or guilt appeal) are used. We find that a prevention (vs. promotion) focus demotivates donation solicited by a sadness appeal because it activates persuasion knowledge that evaluates solicitor's motive behind the sadness appeal, resulting in increased skepticism, dampened feelings of sympathy, and consequently, reduced charitable giving. However, when persuasion knowledge is deactivated (e.g., when donors' cognitive capacity is constrained or the soliciting charity has a reliable reputation), regulatory focus no longer affects donor skepticism, sympathy, and charitable giving, even when a sadness appeal is used to call for donation.

Contact: hpark@ceibs.edu

Cronin, A.M., D.H. Erkens, J.D. Schloetzer, and C.H. Tinsley. forthcoming. "How Controlling Failure Perceptions Affects Productivity: Evidence from a Field Experiment". *The Accounting Review*. (FT50).

Contact: david.erkens@ceibs.edu

Fedaseyeu, Viktor. forthcoming. "Debt collection agencies and the supply of consumer credit". *Journal of Financial Economics*. (FT50).

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Abstract: This paper finds that stricter laws regulating third-party debt collection reduce the number of third-party debt collectors, lower the recovery rates on delinquent credit card loans, and lead to a modest decrease in the openings of new revolving lines of credit. Further, stricter third-party debt collection laws are associated with fewer consumer lawsuits against third-party debt collectors but not with a reduction in the overall number of consumer complaints. Overall, stricter third-party debt collection laws appear to restrict access to new revolving credit but have an ambiguous effect on the nonpecuniary costs that the debt collection process imposes on borrowers.

Contact: viktar.fedaseyev@ceibs.edu

Han, J. H., Liao, H., Han J., and Li. A.. forthcoming. "When Leader–Member Exchange Differentiation Improves Work Group Functioning: The Combined Roles of Differentiation Bases and Reward Interdependence". *Personnel Psychology*. (A*).

Abstract: Drawing on social hierarchy theory (Halevy, Chou, & Galinsky, 2011; Tyler, 1997), we develop a contingency model of leader–member exchange (LMX) differentiation in which LMX differentiation is positively and negatively related to group cooperation and group social undermining, respectively, when it is based on the group members' performance, but the relations are reversed (i.e., negative and positive, respectively) when it stems from a leader's personal liking of the members. In addition, we propose that the moderating effects of the performance and personal liking bases of LMX differentiation are magnified by the levels of reward interdependence. Specifically, under a high (vs. low) level of reward interdependence, LMX differentiation based on performance more strongly relates to high group cooperation and low group social undermining, whereas LMX differentiation with a personal liking basis is more likely to decrease group cooperation and increase group social undermining. Group cooperation and social undermining are then hypothesized to convey the three-way interactive effects of LMX differentiation, its two bases, and reward interdependence on subsequent group performance. Analyses of data from 328 sales groups of a large retailer support the core part of our contingency model of LMX differentiation.

Contact: jianhan@ceibs.edu

Hsu, S. W., Chuang, A., & Wang, A. C. forthcoming. "Business founders' work design and new venture development". *Journal of Business Venturing*. (FT50).

Abstract: This study aims to explain the interplay between business founders' work design and new venture development. Our qualitative research reveals that founders' work design differs in terms of unsettled and settled work. In unsettled work, founders redesign their work to serve the needed changes in their new ventures. In settled work, founders, who develop a commitment to their self-created work, often maintain rather than change their work, regardless of the potentially needed changes in the new ventures. Our findings suggest that founders' work has a subtle structure that results in direct, day-to-day experience that is integral in shaping new ventures.

Contact: wac@ceibs.edu

Kwan, H. K., Chen, H., Hu, Z., & Li, J.. forthcoming. "The effects of mentor alcohol use norms on mentorship quality: The moderating role of protégé traditionality". *Human Re-*

source Management. (FT50).

Abstract: Mentorship quality is an important aspect of mentorship effectiveness, yet we know little about its predictors. Using social identity theory, we examined the relationship between mentor alcohol use norms and mentorship quality as perceived by protégés. Our study also considered the mediating role of protégé identification with the mentor and the moderating role of protégé traditionality. The findings, based on mentor-protégé dyadic data collected through a three-wave survey in China, indicate that mentor alcohol use norms are negatively related to mentorship quality, and that this relationship is mediated by protégé identification with the mentor. Furthermore, the traditionality of protégés alleviates not only the negative relationship between mentor alcohol use norms and protégé identification with the mentor, but also the indirect relationship between mentor alcohol use norms and mentorship quality via protégé identification with the mentor. The results underscore the value of focusing on mentor behavioral norms that are not directed toward the protégé. We conclude with a discussion of the theoretical and practical implications for mentoring research.

Contact: kwanhokwong@ceibs.edu

Sarabi, A., Froese, F. J., Chng, D. H. M., & Meyer, K. E.. 2020. "Entrepreneurial leadership and MNE subsidiary performance: The moderating role of subsidiary context". *International Business Review*. 29, 3.

Abstract: Managers of international subsidiaries, especially subsidiary CEOs, operate at critical interfaces within multinational enterprises (MNEs) and hold strategic responsibility for the operations in their country. Yet, their impact on subsidiary performance has received scant research attention. Building on the subsidiary entrepreneurship and strategic leadership literatures, we develop a model of how subsidiary CEOs' entrepreneurial leadership affects subsidiary performance, and how this relationship is moderated by the subsidiary context that determines managerial discretion. We combine survey data of 291 international subsidiaries in South Korea with archival data to test our hypotheses. Our results show that subsidiary CEOs' entrepreneurial leadership enhances subsidiary performance and that this relationship is strengthened by managerial discretion. Our study highlights the pivotal role of subsidiary CEOs within MNEs and contributes to a microfoundational understanding of international subsidiary management.

Contact: dchng@ceibs.edu

Wiersema, M., Ahn, A., & Zhang, Y.. forthcoming. "Activist Hedge Fund Success: The Role of Reputation". *Strategic Management Journal*. (FT50).

Abstract: Activist hedge funds are the new breed of corporate raiders, yet we know little about how the management and board of target firms respond to activist investors. Using a behavioral perspective, we propose that an activist's reputation for being confrontational conveys information to the target company as to what they are likely to encounter in an activist campaign. To avoid the potential adverse consequences of engaging in such a contest, we propose and find that target companies are more likely to settle with an activist known for being confrontational. Our study contributes to corporate governance research by providing insight into the importance of the social context surrounding activist campaigns and the role of reputation in influencing how companies respond to activist investors.

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Paper: <https://onlinelibrary.wiley.com/doi/10.1002/smj.3210>
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Wu, L.-Z., Ye, Y., Cheng, X.-M., Kwan, H. K., & Lyu, Y.. 2020. "Fuel the service fire: The effect of leader humor on frontline hospitality employees' service performance and proactive customer service performance". *International Journal of Contemporary Hospitality Management*. 32, 5, 1755–1773.

Abstract:

Purpose

Drawing from self-determination theory, this study aims to examine the effect of leader humor on frontline hospitality employees' service performance and proactive customer service performance (PCSP) via harmonious passion (HP) for work with employee neuroticism as the moderating mechanism.

Design/methodology/approach

This study controlled for the nested effect and tested all the hypotheses with Mplus 7.0 using a time-lagged three-wave survey of 232 Chinese supervisor–subordinate dyads.

Findings

The results indicated that leader humor promotes frontline hospitality employees' service performance and PCSP by enhancing their HP. Furthermore, neuroticism was shown to strengthen the direct impact of leader humor on employee HP and its indirect impact on employee service performance and employee PCSP through HP.

Originality/value

First, this research contributes to the leader humor literature through exploring its impact on the service performance and PCSP of frontline hospitality employees. Second, this research develops a new framework to explain the leader humor–employee service outcomes relationship using self-determination theory. Finally, the focus on the moderating role of neuroticism helps to explain the "when" question of leader humor.

Paper: <https://www.emerald.com/insight/content/doi/10.1108/IJCHM-06-2019-0534/full/html>

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Wu, X., Kwan, H. K., Ma, Y., Lai, G., & Yim, F. H.-K. . 2020. "Lone wolves reciprocate less deviance: A moral identity model of abusive supervision". *The International Journal of Human Resource Management*. 31, 7, 859–885.

Abstract: Although previous studies provide diverse perspectives on the influences of abusive supervision, the moral perspective receives little attention in the literature. We rely on social cognitive theory to present a moral identity model of abusive supervision that accounts for the influences of perceiving abusive supervision on organizational and interpersonal deviance. In particular, we propose that employee moral identity mediates the positive relations between abusive supervision, as perceived by followers, and their subsequent organizational and interpersonal deviance. We also test the extent to which lone wolf tendencies alleviate the main negative impact of abusive supervision on moral identity and the indirect effect of abusive supervision on organizational and interpersonal deviance through moral identity. More specifically, when the level of lone wolf tendencies is high, the relationship between abusive supervision and moral identity, and the magnitude of the moral identity mediating mechanism will be weaker. Using multi-wave, multiple source data collected in China, our findings support most of our hypotheses and offer insightful

theoretical directions for mistreatment, morality, and disposition research. Our moderated mediation model serves as a springboard for future research to understand the social cognitive processes that link abusive supervision and deviant behavior from the moral perspective.

Contact: kwanhokwong@ceibs.edu

Yang, Q., Qian, L. and Zhao, X. . forthcoming. "Interpersonal and IT-enabled communication in platform transactions: the contingent role of contract completeness and technology usage". *Industrial Management and Data Systems*.

Paper: <https://www.emerald.com/insight/content/doi/10.1108/IMDS-08-2019-0456/full/html#loginreload>

Contact: xiande@ceibs.edu

Zhou, H., Wang, Q. and Zhao, X.. 2020. "corporate social responsibility and innovation: a comparative study". *Industrial Management and Data Systems*. 120, 5, 863-882.

Contact: xiande@ceibs.edu

Trade Journal Articles

Fang, Yue and Gao, Duo. 2020 Apr. "打造安全的未来数据生态圈". *CEIBS Business Review*.

Contact: fyue@ceibs.edu

Fang, Yue, Lv, Xinghang and Zhang, Li. 2020 May. "面对颠覆性突发事件，你准备好了吗?". *CEIBS Business Review*.

Contact: fyue@ceibs.edu

Fang, Yue, Lv, Xinghang and Zhang, Li. 2020 June. "随着远程工作成为“新常态”，您需要提升哪些独特的领导和管理能力?". *CEIBS Business Review*.

Contact: fyue@ceibs.edu

Xin, K. R. & Yan, J.. 2020 Apr. "Management Upgrade in Post-epidemic Era 《后疫情时代的管理升维》". *Business Review*. 5.

Contact: katherinexin@ceibs.edu

Xin, K. R. & Yan, J.. 2020 May. "The Opportunity of Back Rise 《后浪的机会》". *Business Review*. 5.

Contact: katherinexin@ceibs.edu

Xin, K. R. & Yan, J. . 2020 June. "5 Basic Capabilities Digitalized Enterprises Need to Build 《数字化企业，需要具备五项基本能力》". *Harvard Business Review (China)*.

Contact: katherinexin@ceibs.edu

Xu, Bin. 2020 Feb. "中国经济2020年展望". *CEIBS Business Review (中欧商业评论)*.

Contact: xubin@ceibs.edu

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Newspaper Articles

Han, Jian. 2020 March 20. 提升组织绩效，何时过犹不及. *经济观察报*.

Contact: jianhan@ceibs.edu

He, Wei. 2020 March 23. Sharing economy gets HR twist. *China Daily*. (Prof. Han Jian's interview)

Contact: jianhan@ceibs.edu

Ramasamy, Bala. 2020 April 3. Unity only way to beat pandemic. *China Daily*.

Paper: <https://www.chinadaily.com.cn/a/202004/03/WS5e869e3ca3101282172842d0.html>

Contact: bramasamy@ceibs.edu

Xu, Bin. 2020 January 10. 应淡化GDP增速目标，民营企业的信心才是关键. *经济观察报*.

Contact: xubin@ceibs.edu

Xu, Bin. 2020 January 28. Government to cushion GDP growth's slip past 6%. *CGTN*.

Contact: xubin@ceibs.edu

Xu, Bin. 2020 March 4. COVID-19 outbreak a golden opportunity to work on long-term economic reforms. *CGTN*.

Contact: xubin@ceibs.edu

Xu, Bin. 2020 March 23. 新冠疫情将重创全球经济，中国经济受外部影响有限. *经济观察报*.

Contact: xubin@ceibs.edu

Xu, Bin. 2020 April 7. 支持淡化GDP增长目标 建议以效率目标代替. *新浪财经*.

Contact: xubin@ceibs.edu

Xu, Bin. 2020 April 8. Shock therapy. *China Daily*.

Contact: xubin@ceibs.edu

Books

Sheng, Songcheng, Song, Hongwei and Wang, Heng. 2020

Jan. *房地产与中国经济*. 中信出版社.

Contact: ssongcheng@ceibs.edu

Zhao, Xiande. 2020. *供应链与商业模式Digital Innovation: Supply Chain and Business Model*. 机械工业出版社China Machine Press (Offline publication)&数字中欧CEIBS Digital(Online Publication).

Contact: xiande@ceibs.edu

Book Chapters

Kwan, H. K., Xu, X., Chen, H., & Li, M. 2020. "Exploring why and when mentors' drinking norms impact protégés' alcohol misuse", P. Kumar, & P. Budhwar. *Mentorship-driven talent management: The Asian experience*. Bingley, UK: Emerald.87-105.

Contact: kwanhokwong@ceibs.edu

Cases

Chen, Shimin and Pan, Dingwen. 2020. "东方明珠财务报表：理解与分析". CI-120-015.

Contact: cshimin@ceibs.edu

Huang, Sheng, Meng, Yuan and Xu, Leiping. 2020. "美年大健康". CI-120-012.

Contact: shenghuang@ceibs.edu

Huang, Sheng, Zhang, Chi and Meng, Yuan. 2020. "曲美家居要约收购Ekornes (A)：并购战略". CI-120-011.

Huang, Sheng, Zhang, Chi and Meng, Yuan. 2020. "曲美家居要约收购Ekornes (B)：交易安排". CI-120-018.

Contact: shenghuang@ceibs.edu

Lee, Jean and Xue, Wenting. 2020. "Bosch HR Lab: Transformation of a 134-year-old Start-up". CC-420-014.

Contact: jeanlee@ceibs.edu

Liang, Neng and Chen, Bingliang. 2020. "巴菲特和所罗门兄弟公司的丑闻危机 (A)". CI-320-013.

Liang, Neng and Chen, Bingliang. 2020. "巴菲特和所罗门兄弟公司的丑闻危机 (B)". CI-320-016.

Liang, Neng and Chen, Bingliang. 2020. "巴菲特和所罗门兄弟公司的丑闻危机 (C)". CI-320-017.

Contact: liangneng@ceibs.edu

Siciliano, Gianfranco and Cao, Zhijing. 2020. "Shenzhen EL-LASSAY Fashion: Growth through Multi-brand Strategy". CC-320-009.

Contact: gianfranco.siciliano@ceibs.edu

Zhang, Yu and Cao, Zhijing. 2020. "翡冷翠案例：新冠疫情应对 (A)". CI-320-019.

Zhang, Yu and Cao, Zhijing. 2020. "翡冷翠案例：新冠疫情应对 (B)". CI-320-020.

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Contact: zyu3@ceibs.edu

Zhao, Xiande, Ruan, Liyang and Wang, Liang. 2020. "小米: 生态链的弯道超车". CC-620-010.

Contact: xiande@ceibs.edu

Awards & Honors

Chng, Han Ming Daniel. 2020. Prof. Chng's case, entitled "Voles System's Bribery Accusations in China" won the top prize in the category of Responsible Business in the 2019 EFMD Case Writing Competition.

News: <https://www.ceibs.edu/media/news/awards-honors/18807>

Zhao, Xiande. 2020. In a report published in late-2019 in International Journal of Production Economics, Zhao Xiande, Professor of Operations & Supply Chain Management at CEIBS, was ranked either first or second in Asia according to multiple indicators regarding leadership in supply chain management (SCM) research. In addition, CEIBS was ranked between twelfth and nineteenth according to various indicators amongst leading institutions in SCM research in Asia, reflecting the school's influence in this field.

News: <https://www.ceibs.edu/media/news/faculty/19019>