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 groningen

faculty of economics  
 and business

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# FEB Research



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## SOM Awards 2013

**On November 27 2014, the 2013 SOM awards for Best Graduate of the Research Master, best PhD Thesis, Outstanding Junior Researcher and for Outstanding Researcher were presented.**

### Best Research Master Graduate

**Xianjia Ye** won the award for Best Graduate of the Research Master Economics & Business, worth 1,000 euro's. His master thesis "Industrial structural change and labour upgrading when production is internationally fragmented", supervised by Marcel Timmer and Gaaitzen de Vries was awarded with a grade 9 and he graduated with an average 9.1. Xianjia is now working as a PhD student at FEB.

The other two nominees were **Nonhlanhla Dube** (now also working as a PhD at FEB) and **Bert Kramer** (currently a 2nd year PhD at the University of British Columbia in Vancouver, Canada).

### Best PhD Thesis

The award of 1,500 euro was for Peter van Santen for his thesis "Precautionary saving, wealth accumulation and pensions", supervised by Prof. Rob Alessie and Prof. Adriaan Kalwij. The jury awarded this thesis because amongst others it contains two high quality papers in respectively the European Economic Review and the Journal of Economic Behavior & Organization.

**Peter van Santen** is currently working as a researcher at the Sveriges Riksbank in Stockholm, Sweden.

The other nominees were **Suzanne Kok** and **Gerdien Regts-Walters**. Suzanne Kok is now working at the Ministry of Finance in the Hague, Gerdien Regts is working at FEB and is the coordinator of the centre of expertise Healthwise.

### Outstanding Junior Researcher

The 2,000 euro prize for junior researcher was awarded to **Jochen Mierau**. He obtained his PhD degree in 2011, and he

already published more than 10 articles in international journals like the top journal International Economic Review. In 2011, he co-organised the Spring Meeting of Young Economists in Groningen and he is one of the organisers of the 2015 European Public Choice Society Conference.

The other two nominees were FEB researchers **Jan Willem Bolderdijk** en **Susanne Täuber**.

### Outstanding Researcher

**Rob Alessie**, professor of micro-econometrics at FEB was awarded 2,500 euro by the SOM Board for his overall performance. Rob Alessie has numerous publications in top journals like the Journal of Public Economics, Economic Journal and the Journal of Financial Economics. He supervised 13 PhD students and is coordinator of the NETSPAR project "Pensions, savings and retirement decisions".

On the cover:  
Lex Hoogduin and Dirk Bezemer

## Equis as prequel to the national research assessment

On December 9th, the board of the EFMD in Brussels decided to grant our faculty the EQUIS accreditation. This is really good news and together with the AACSB accreditation that we received back in late 2011, this signals that we meet the highest international standards for business schools. Even though both accreditations are primarily associated with education, they also concern the quality of our research. The peer review team for EQUIS that visited Groningen in September singled out FEB's research as really excellent and was impressed by the fact that research and education are so strongly intertwined. The team also found that research at FEB increasingly succeeds in combining research impact with societal impact. This bodes well for the near future since the national research assessment for economics and business – which takes place in 2015 – will place a much greater weight on societal impact than in the past. Measuring societal impact of research is far from easy to say the least, but the university as well as our sister-faculties in The Netherlands have come up with a yardstick to do so. It goes without saying that the quality of our research productivity matters first and foremost, but in line with the ongoing public debate in our country about the usefulness of academic research and the allegedly perverse “publish or perish” incentives, it is clear that the research assessment will put quite a strong emphasis on societal relevance next to academic relevance. For our faculty, I dare to say, this is a favourable development since under the umbrella of our research school SOM, we have tried to strengthen applied research and the development of centers of expertise in recent years. I can mention various examples here but the development of Healthwise, our center of expertise for health care management and economics, is a case in point. This example also shows how we can make the most of the fact that we are a broad faculty that covers all relevant domains in research in economics and management. Partly because of external pressures (see the discussion about societal impact) and even more because we really want this to happen ourselves, the connection between our research and the various private and public organizations in the “real world” will only get stronger in the coming years, both regarding the input, or funding, side of research as well as collaboration with respect to research output. As long as we can do our research independently and based on the highest academic standards, I consider this to be a good (and inevitable) development that will make our faculty and its research stronger. In this respect, the recent EQUIS boost makes for a very nice gift in the current Holiday Season and it also makes one optimistic about the research verdict by the research committee next year.

**Harry Garretsen**

Dean







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# Financial schooling

**The effects of the global financial crisis that erupted in 2008 are still felt around the world and economists still actively debate the role of the financial sector in the economy in light of this crisis. We talk to Lex Hoogduin and Dirk Bezemer about their research and views on this topic.**

*Is it not obvious that the financial sector plays an important role in the economy?*

Dirk: "It may be inescapable now, but for a long time economists who wanted to model the business cycle ignored it. The type of models that started to be developed by academics in the 1980s were very stylized models and had no place, role or attention for banks, debt or a financial sector. Until very recently, such models still held sway in research and policy and this is exactly what creates blind spots for the role of the financial sector in the economy."

Lex: "A related problem with such stylized models is the highly debatable assumptions on which they are based. Especially when it comes to financial decisions, such as long-term investments by firms or pension saving decisions of households, it seems fanciful to assume that firms or individuals can envisage all possible relevant future outcomes of their decisions. This is not because people are irrational, but because it exceeds the capacity of the human brain to take decisions based on a listing of all possible outcomes. However, it is only when we assume that people can oversee all possible outcomes that the economist's standard instruments of quantitative risk analysis can be used. When faced with the choice to change their approach to understanding the economy or ignoring the real-life complexity of the financial sector, economists chose to ignore it."

*What triggered your interest in the financial sector?*

Dirk: "I became interested during my days as a PhD candidate, back in the 1990s. At that time I was teaching

transition economics at the University of Amsterdam and this was the heyday of the 'Washington Consensus': economies should liberalize, deregulate, and open up to trade and investment flows to have any hope of economic success. One country that started enthusiastically down this road was Albania in 1992, after its transition from communist rule. And it seemed to work: Albania had a high GDP growth rate, low inflation, and falling unemployment in the early 1990s. But then in 1997 the economy collapsed. At the time, Albania was often held up as a poster child for the Washington Consensus, so this begged the question how this could have happened and whether only Albania or the whole Washington Consensus was to blame.

My research into this, which resulted in an article and later an edited book, showed that Ponzi schemes (also known as pyramid schemes), fuelled by inflows of money from abroad, had taken over the economy. In the standard economic dogma of the Washington Consensus, financial factors, such as the dangers of capital inflows or the risks of speculative investment are neglected. So when the Albanian Ponzi schemes collapsed, this came as a big surprise. At the time I concluded that we must find ways to incorporate financial factors in our assessment of economic growth and stability. That threw up three further questions. Why were these factors neglected to begin with? What sorts of frameworks are helpful for including them? And how do we translate these frameworks into (empirical) research? These are the questions that still keep me occupied."

Lex: "My interest was also triggered while working on my PhD, already in the 1980s. As Dirk pointed out, this was the time when mainstream macro and monetary economists started to rely ever more on stylized models of the economy based on simplistic depictions of decision-making by firms and households. The first problem is that all people in such models are assumed to be making decisions based on assessing risk. But such an assessment

requires them to know all possible outcomes and for them to assess how likely each outcome is. This can easily be done when throwing a dice, where there is a simple one-in-six chance of a given number of dots showing face up. It is still pretty doable with cards from a deck, with a 1-in-52 chance of a given card being drawn. But when decisions have an impact that spans many years or even decades, it has always seemed more sensible to me to treat this as a setting where people face uncertainty, instead of risk. Rather than being able to compute odds, decisions are made knowing that the future can take many unexpected shapes, without knowing what each of these shapes are.

The second problem with standard economic modeling is the issue of complexity. In the simple models that became popular in the 1980s, the decisions of firms and households are typically treated in isolation: they maximize utility or profits without regard to what others are doing. This may make analyzing such models easier and different trajectories can be precisely forecast. A different view is that of scholars like Hayek, who emphasize that the economy is a complex system, where the economic system and all those in it are constantly adapting to changing circumstances. Rather than the precise clockwork of some standard economic models, such a system might more closely resemble the weather. The many interactions between all actors in the economy make the economy's trajectory fundamentally unknowable as one looks farther into the future."

*So what direction should economics in this area go?*

Lex: "I would argue that we need a framework with uncertainty and complexity to make sense of money, debt and financial institutions. This requires a different methodology compared with the neat, stylized models that are commonplace in economic research. But it also requires a different view about what economics can sensibly hope to achieve. Instead of neatly analyzing the financial and real sector in isolation, we should see

the two as deeply intertwined. And rather than precisely forecasting, economics can at best hope to achieve a description and broad understanding of the system and a sense of how general patterns may evolve.

Dirk: Related to this point, I would say that good economists should guard against the blind spots that were prevalent before the financial crisis. The idea that finance has an important role in the economy is not a new one: scholars such as Schumpeter, Keynes and Minsky developed views of the economy where finance is central. Given this diversity of views, I would argue – not only a researcher but also a teacher – that economics should be more pluralist.

Since Lex and I share many views on this topic, including this need for pluralism, we have decided to collaborate in teaching. In a joint course we are developing, our main aim is to expose students to a range of approaches and views on the role of the financial system in the economy. The course will provide the students with a much broader analytical toolbox than is typically the case and an ability to apply insights from such views.”

*And in your research, where will this take you?*

Dirk: “One could argue that the US housing market before the financial crisis had many features of a Ponzi scheme, where house buyers were relying on a greater fool to pay an even higher price in the future. Through the financial and real links between the US housing market and the rest of the US economy, this meant the basis on which pre-crisis growth was built was increasingly weak. Those weaknesses affected other parts of the world economy as well, through, for instance, the global derivatives market, where investors could insure their investments in US mortgages. This view is fairly commonplace now, but almost nobody saw it coming. Those who did see it coming, were rather obscure economists working in the Post-Keynesian and Austrian traditions. The most explicit way to model the sequence of causes and consequences is in so-called “stock-flow consistent models”, which provide



### Short bio Lex Hoogduin

Lex Hoogduin is a professor of economics at the FEB and a visiting professor at the Duisenberg School of Finance. Before that, he has been a director at the Dutch Central Bank (DNB), personal advisor to Wim Duisenberg at the European Central Bank and he has held other positions in (central) banking. He also holds various supervisory positions, including at LCH.Clearnet and the Central Committee for Statistics at Statistics Netherlands. He did his PhD research at the University of Groningen and his research has been on the role of uncertainty and complexity in macroeconomics and monetary economics and he has published in journals such as *De Economist* and the *Journal of International Money and Finance*.

a macro-level accounting framework. Individual behavior within this framework can, in turn, be understood by linking it to agent-based models, which specify the individual behavior of banks, households and firms. Such models make an important distinction between financing that generates new income – such as bank loans to business – and financing that generates capital gains – such as mortgages.

Thanks to research grants, I can put my money where my mouth is. Kristiana Rozite and Joeri Schasfoort are working on agent-based models of financial cycles. With Maria Grydaki I revisited the Great Moderation years as a time of increasing financial fragility. We need to rewrite financial history based on what we now know: low inflation and stable growth is

not enough if at the same time debt is growing to unsustainable levels. A third project, with Anna Samarina and Lu Zhang, is to build a database on bank credit flows and to analyze credit cycles. This will study especially the impact of the enormous growth in mortgage credit since the 1990s and we have several working papers out on this topic. We find that countries with high household mortgage debt suffered lower growth and more serious crises and recessions. The Netherlands is an example of this: it has had 5 years of recession or ultra-low growth since 2008, and a new period of high growth is far off. The UK is another economy with high debt levels that is suffering from this ailment. I am just back from a visit to the Bank of England, with whom we are starting a joint research program on this topic.”





## Short bio Dirk Bezemer

Dirk Bezemer is an associate professor of economics at FEB. Before that, he worked at the Department for International Development and the Overseas Development Institute, both in London. He earned his PhD at the University of Amsterdam. His research has been on transition economics, development economics – specifically the role of the agricultural sector – and on the role of the financial sector in the economy. He has published in journals such as the *Journal of Banking and Finance*, the *Journal of Development Studies* and *World Development*.

### *What can we learn from this for the regulation of the financial sector?*

Dirk: “Given Lex’s experience as a past director of the Dutch Central Bank, DNB, I will defer to him on this topic.”

Lex: “In my view, the most important conclusions from the financial crisis of 2007/2008 were that we need supervision of the financial sector as a whole on top of supervision of individual institutions (i.e. macro-prudential policy), that bank capital has to be increased and that the too-big-to-fail problem, whereby governments have no choice but to rescue banks with taxpayer money, has to be solved. Progress has definitely been made over the past years, but there is still a way to go.


The buffers of capital that banks hold against losses were much too low before the crisis as evidenced by the large number of failing or rescued banks. But capital buffers are still too low and have to be further increased. This can only be a gradual process, since it requires an important shift in risk-taking from the government to the private sector and if capital requirements are increased too rapidly, this will hamper credit growth and growth of the economy and employment.

We also have to move away from the current method for determining the minimum level of capital that is required. Capital requirements are now formulated in terms of a certain proportion of risk-weighted assets, but this approach has a weak foundation. Risk does not imply a need to have capital, but uncertainty

does. Assigning risk weights to assets opens the door to gaming of the rules and political pressure on the supervisor to attach low weights to politically popular sectors, e.g. small and medium-sized enterprises. Therefore, in the coming years the emphasis has to shift to the so-called leverage ratio, which is simply the ratio between capital and total assets.

There is as yet too much focus on minimum levels of capital requirements. I would advocate that banks should be able to use their buffers to a certain extent and then a recovery should be considered. If recovery turns out to be impossible, the bank should be closed in an orderly fashion, a process called resolution. Shareholders and some of the other bank creditors should face losses and to ensure that the cost to the taxpayers is minimised, capital buffers should be adequately large.

The role of the financial regulators should change as well. They should do more to supervise the financial system as a whole, so-called macro-prudential policy. The focus there should not only be on preventing financial crises, but also on creating resilience. Financial shocks can and will occur in the future, so how can banks best be prepared for those? As said, adequate capital is one part, but a good recovery and resolution regime is important as well. Furthermore, supervision has become too much hands-on after the crisis. This is likely to hamper sound risk taking. Therefore, in parallel with raising buffers, the supervisor should withdraw and focus more on supervising the internal board of supervisors rather than focusing on business models or the management of the bank.”

A woman with blonde hair tied back, wearing a teal dress with a knot detail at the waist and a denim jacket, stands in a hallway. She has her left hand on her hip. The hallway has a checkered floor and recessed ceiling lights.

# Laurie Reijnders meets Nobels at Lindau



**Once in a while the idyllic town of Lindau im Bodensee in Germany welcomes two very distinct groups of visitors. For an entire week hardly anyone between the ages of 40 and 80 is to be found on the island, except for a lone middle-aged journalist. In this period the town hosts one of the Lindau Nobel Laureate Meetings, which bring together ageing laureates and young scientists from all over the world.**

In August 2014 the fourth Lindau Meeting in Economic Sciences took place and I was one of the 460 young economists attending. I am a final-year PhD student in macroeconomics with a specific interest in education and demographic issues. At the moment I am finishing my thesis, in which I use theoretical economic models to study how an individual's choice about whether or not to pursue tertiary education responds to changes in life expectancy, the student loan system, marriage probabilities and the price of child care.

In the fall of 2013 my supervisor, Ben Heijdra, received an email from the The Royal Netherlands Academy of Arts and Sciences (also known in Dutch as KNAW) with the invitation to nominate a talented young researcher for the meetings. He sent in an application for me, which included a detailed summary of my research career and interests and a letter of recommendation written by him. A few months later I was notified that I had made it through the pre-selection. I was required to provide some additional information for the Lindau Review Panel, including a letter of motivation, before I was officially selected.

The aim of the Lindau Meetings is to foster scientific dialogue between generations. In the mornings there were plenary lectures by the laureates, while the afternoon sessions focused on discussion and debate. Topics discussed included the buying and selling of kidneys (Alvin Roth), moral-hazard credit-cycles (Robert Myerson) and the failure of capitalism (Joseph Stiglitz). The panel discussion on the usefulness of economics showed that old age might have made the laureates mild: even expected opponents such as Peter Diamond and Robert Merton seemed to agree on most issues.

Almost half of the surviving Nobel Laureates in economics were in attendance, 18 in total. Although they were relentlessly targeted by several autograph-hunters, they were arguably not the most famous visitors to Lindau that week. Angela Merkel, the Chancellor of Germany, gave the opening speech on the first day of the Meetings. There was a noticeable increase in security around the venue and also the number of protestors outside grew considerably during her stay. On the final day Queen Silvia of Sweden presented the award ceremony. After I saw one of the laureates take a picture of the queen I realized that even for them this is not something that happens every day.

Meeting with the laureates in person was a valuable experience and watching their lectures provided me with new ideas for my own research. In addition I had the opportunity to meet other young scientists working in similar fields. I would therefore advise every young economist to apply for the next Lindau Meeting in Economic Sciences. It is well worth the travel to the Bodensee.

*All plenary lectures during the Lindau Meetings have been recorded and can be viewed in the Mediatheque at [www.lindau-nobel.org](http://www.lindau-nobel.org).*

## Key publications

Heijdra, B.J., J.O. Mierau & **L.S.M. Reijnders**, 2014, A tragedy of annuitization? Longevity insurance in general equilibrium, *Macroeconomic Dynamics*, 18, 1607-1634

Heijdra, B.J. & **L.S.M. Reijnders**, 2013, Economic growth and longevity risk with adverse selection, *De Economist*, 161(1), 69-97

Heijdra, B.J. & **L.S.M. Reijnders**, 2012, Adverse selection in private annuity markets and the role of mandatory social annuitization, *De Economist*, 160(3), 311-337

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## Key publications

**Bolderdijk, J.W.**, L. Steg, E.S. Geller, P.K. Lehman & T. Postmes, 2013, Comparing the effectiveness of moral versus monetary motives in environmental campaigning, *Nature Climate Change*, 3(4), 413-416


Noppers, E.H., J.W. Keizer, **J.W. Bolderdijk** & L. Steg, 2014, The adoption of sustainable innovations: Driven by symbolic and environmental motives, *Global Environmental Change*, 25, 52-62

Taufik, D., **J.W. Bolderdijk** & L. Steg, 2015, Acting green elicits a literal warm glow, *Nature Climate Change*, forthcoming

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# Jan Willem Bolderdijk: socially acceptable greenery

A portrait of Jan Willem Bolderdijk, a man with dark hair, wearing a grey V-neck sweater under a dark jacket. He is smiling slightly and looking towards the camera. The background is a dark, out-of-focus interior.

**We all know them, the friends who are vegetarians, the aunt and uncle who use public transport as they do not want to add to pollution by driving a car and the cousin who has an eco-friendly house. Even though we applaud their principles and agree that we too, should probably be more eco-aware and behave accordingly, we keep our own lifestyle and book a 36-hour flight for a vacation in New Zealand. Researcher Jan Willem Bolderdijk (Marketing) is looking into this phenomenon, as it seems that there are social risks when a person is considered being “too green”. Bolderdijk received a Veni grant of 250.000 euros from NWO (the Netherlands Organisation for Scientific Research) to find out more.**

*What is your research about?*

“In order to secure a sustainable future, it is crucial that consumers use more resource-efficient foods, such as soy butter, cultured beef and seaweed. One obvious marketing strategy is to position sustainable alternatives as the morally-superior choice. The main selling point of cultured beef, for instance, is its contribution to the collective good. But while such moral appeals could indeed boost demand, this research examines the notion that there are some important, previously unconsidered, social risks associated with moral appeals.

Specifically, while compliance with moral appeals could satisfy consumers’ internal need to be moral, it also calls the morality of fellow consumers into question. In response, fellow consumers may attempt to restore their threatened sense of morality by discrediting or rejecting moral outliers – a phenomenon known as ‘moral do-gooder derogation’. This social-

psychological perspective on morality may have important implications for the marketing of sustainable products, which I plan to examine “

*So why focus on food choices, and not, for instance on electric vehicles?*

“Food choices constitute a highly relevant domain for sustainable consumption, as the production and transportation of typical Western foods (e.g. dairy products, red meats) requires a relatively large (but often invisible) amount of energy, land and water. Secondly, what we ingest is strongly tied to our identity – we are what we eat. Besides, it will be fun to stand in a supermarket and offer fried crickets to shoppers.

The research is divided into two projects. Project 1 examines the perspective of the observer. The project will look at responses by consumers who witness others buying ‘morally-superior’ sustainable products. Intuitively, one might expect that seeing a fellow shopper purchasing green products would solicit praise, and inspire you to do the same. However, moral outliers can also challenge the morality of fellow shoppers who are not as sustainable, and therefore elicit negative responses. I will test these ideas in an indirect fashion, because people may not want to admit that they dislike others who do the good thing. In one study, for instance, respondents will be divided into two groups, and will be asked to judge a fictitious fellow participant based on only their shopping list. One group will get an eco-friendly shopping list, the other a “normal” shopping list. Based on the products on the shopping list, they are asked to give their opinion of the person behind the shopping list.

Importantly, I additionally propose that prospective buyers also anticipate such defensive responses.

Project 2 takes the perspective of the actor. It investigates the notion that consumers may avoid purchasing ‘morally-superior’ sustainable products in an attempt to avoid being perceived as a moral outlier. Do prospective buyers also act differently (e.g. in their justifications or product choices) when they anticipate that observers may respond defensively? My reasoning is that people will sometimes be less eco-friendly in public and more so in private. They want to avoid making friends and family uncomfortable when they are faced with their own morally inferior choices.”

*What is the societal value of the research?*

“Obviously, getting customers to make more “green” choices is important. Marketers need to know which arguments will help sell these products. Do they need to promote making a healthy choice, an eco-friendly or climate-neutral choice or give customers a financial stimulus? My research can help identify in which cases one or more of these arguments will be more effective.”

*You started working at FEB a little over a year ago, how do you like it?*

“I really enjoy working here at FEB. The faculty encourages collaboration among researchers. FEB employs a lot of interesting people. For example, I work with Suzanne Täuber (FEB, Human Resource Management & Organizational Behavior). I will also be able to travel to Spain to work face-to-face on this research with my collaborator Gert Cornelissen at Universitat Pompeu Fabra for an extended time. Moreover, the faculty’s wide range of contacts with the corporate world is definitely helpful in this research, as I plan to conduct field experiments in supermarkets to study the actual purchase behaviors of customers.”





# Sustainable Logistics

Early 2014, NWO (the Netherlands Organisation for Scientific Research) launched a call on the topic Sustainable Logistics. Three groups of FEB researchers and their partners applied and all three projects were granted with a total budget of over 2 million euro. We talk to Jasper Veldman, one of the researchers involved, and the project leaders, who share some insights on their projects.

### What is your role in these projects?

"Triggered by the call from NWO, I initiated the project 'Sustainable Service Logistics for Offshore Wind Farms'. Together with my colleagues Ruud Teunter, Iris Vis and Kees Jan Roodbergen I wrote the research proposal and coordinated the writing process. Also I set up a big part of the consortium, although I must say that that was a team effort. We already had contacts with some external partners, and from there it really snowballed, with early members of the consortium bringing in new members. Offshore wind is a very timely topic, and that certainly helped to gather a large consortium. In the coming years I will work (alongside Ruud Teunter) as a project leader, and I will be co-promotor of one or two of the PhD students we are going to hire. I am happy to be part of this research project, and very much looking forward to making a start!"

### How is your research related to these projects?

"A large part of my research focuses on Asset Management, which tries to optimize the performance of capital goods over their lifecycle: from engineering until decommissioning. The last few years I have been looking more deeply into the maintenance phase, especially how the

## Key publications

Pulles, N.J., **J. Veldman**, H. Schiele & H. Sierksma, 2014, Pressure or pamper? The effects of power and trust dimensions on supplier resource allocation. *The Journal of Supply Chain Management*, 50(3), 16–36

**Veldman, J.**, W. Klingenberg, G.J.C. Gaalman & R.H. Teunter, 2014, Getting what you pay for—strategic process improvement compensation and profitability impact, *Production and Operations Management*, 23(8), 1387–1400

**Veldman, J.**, W. Klingenberg & J.C. Wortmann, 2011, Managing condition-based maintenance technology: A multiple case study in the process industry, *Journal of Quality in Maintenance Engineering*, 17(1), 40–62

## NWO's sustainable logistics programme

The objective of NWO's Sustainable Logistics programme is to develop, share and apply new knowledge that is necessary for the vitality of the Dutch logistics sector in the medium to long term. Professors or university lecturers may submit an application on behalf of the whole consortium. A consortium consists of academic researchers from different chairs and non-academic partners such as businesses, governments, civil society organisations and public research institutes (e.g. TNO). The research to be conducted in the Sustainable Logistics programme is aimed at developing knowledge that can be used in policy and in practice. The programme generates knowledge that contributes to the objectives of the Logistics Top Sector as set out in the Top Sector agenda Roadmap to the Top ('Partituur naar de Top'), and to realising the roadmaps.

organization around advanced maintenance concepts such as condition-based maintenance can be set up. I have felt that it is strange that maintenance does not receive a lot of attention in the operations management literature, because it is well known that a very large percentage of operational expenditures of production firms goes into maintenance, sometimes up to 50%."

The first time I got to know the field of Asset Management was during my PhD research. I was the first PhD student of the late Warse Klingenberg, who made the University of Groningen an important center for research related to Asset Management. My project was sponsored by Stork GLT (now: GLT-PLUS) and NAM, who cooperated in the mega project of renovating and maintaining the Groningen gas field installations. It was a great research setting for me. I had the opportunity to really use it as some sort of a longitudinal case study and even had my own desk at that company. It taught me a lot about Asset Management, and I think a lot of the insights gained in that project can be applied to the offshore wind sector. Through this project I also became familiar with the energy sector.

During my time at the University of Twente my focus shifted somewhat to supply chain relationships between firms and contracting issues within firms, and when I came back in Groningen I really wanted to continue doing that. What I like specifically about our project is that it integrates the three research streams I have been

working on in the past: contracting and supply chain relations in maintenance settings. Although I like working on different topics, it's also great that in the NWO project my research interests come together.

### Who is Jasper Veldman?

"That is a broad question! I am 35 years old, born and raised in the Salland region of the province of Overijssel, in Dedemsvaart. The village is well-known for its limekilns ('Kalkovens'), but that is pretty much all. I have been living in Groningen for about 10 years in total. I studied Business Administration (specialization Business Development) at FEB and then worked on my PhD from 2005 until 2009 under supervision of Gerard Gaalman, Hans Wortmann and Warse Klingenberg. When my contract ended I wanted to explore working elsewhere, and I more or less returned to my roots when I started working at the University of Twente. I should really say 'more or less', because Salland and Twente are not quite the same. In Enschede I worked for about 4,5 years as assistant professor at the School of Management and Governance and I had a really nice time there! However, the urge to move to Groningen became so strong that I returned in September last year. That was quite hectic: moving to Groningen, setting up new courses, and in the meantime I was in the middle of the toughest period of my training for the Berlin marathon. Now I am taking things a bit slower, but to be honest I think I will start training for another marathon soon."



## Sustainable service logistics for offshore wind farms

### *Project leader*

Prof. Ruud Teunter (FEB)

### *Co-applicants*

Prof. Iris Vis (FEB)  
Prof. Kees Jan Roodbergen (FEB)  
Dr. Jasper Veldman (FEB)

### *External partners*

Province of Groningen  
DHL Supply Chain Benelux  
Groningen Seaports  
Siemens Nederland NV  
Van Oord Offshore Wind Projects BV  
Wijnne Barends Logistics BV  
Eekels Technology BV  
ECN  
Oliveira International Group  
Eyewind  
Energy Valley  
Dutch Institute World Class Maintenance

### *Contents of the project*

Teunter: "Offshore wind farms are expected to deliver 14% of total EU electricity demand by 2030, saving 315 Mt of CO<sub>2</sub> emissions annually. With projected cumulative investments at €211.1 billion and expected employment at 50,000 FTE by 2030, this sector's future looks bright. However, a 40% decrease in costs is widely considered to be a prerequisite to make this happen. Considering that about 50% of the costs incurred during the operational phase are related to logistics, we aim in this project at developing new innovative methods for the sustainable design and operation of service logistics for offshore wind farms.

This project is composed of several work packages that cover network design,

condition-based maintenance strategies, cross-chain control of goods flows, as well as collaboration and governance aspects. In each work package, new methods will be developed that can serve as enablers for an improved service logistics process. These methods contribute in general to the field of Operations Research, proposing novel optimization and improvement approaches. Extensive simulation studies and scenario analyses will be performed to test the robustness and resilience of the integrated network for offshore wind farms. The consortium includes 12 public and private partners who plan on providing practical insights, and disseminating and implementing research results."

### *Societal relevance*

Teunter: "In European countries a strong offshore industry for transport, installation and logistics generally does not coexist with strong R&D capabilities, cooperation within the industry, and good educational systems (EWEA, 2011). In the Netherlands, the offshore wind sector is expected to grow, potentially up to a point where in 2030, 69% of the energy consumption will come from offshore wind farms (Topteam Energie, 2012). The offshore wind sector, in particular, is at an immature stage and cost reductions are essential to reach this goal. In the "Green Deal Offshore Wind", the sector and the Dutch government specified their intentions to change governmental policies and investments in innovations to reach the goal of reducing the cost of wind-generated energy by 40% in 2020 (compared to 2010). The link with governmental policies and the creation of new direct and indirect employment is stressed by the participation of the Province of Groningen (with a cash contribution of 50,000 euro) in our consortium."



## Enhancing resilience while maintaining efficiency: planning and human decision-making for the unpredictable

### *Project leader*

Prof. Dirk Pieter van Donk (FEB)

### *Co-applicants*

Prof. Gerben van der Vegt (FEB)  
Dr. Kirstin Scholten (FEB)  
Dr. Peter Essens (TNO)  
Thom de Vries, MSc (FEB)

### *External partners*

Friesland Campina  
Variass Electronics BV  
Waterbedrijf Groningen  
Bosch Thermotechniek BV

### *Contents of the project*

Van Donk: "Today's business environment is characterized by increased levels of connectivity: within companies through the application of lean and efficiency measures and between organizations through higher levels of supply chain integration. In such an interconnected world, there is a growing risk of supply chain disruption and to manage this risk, supply chains need to become resilient. Yet it remains unclear how supply chain resilience can be achieved and how it can be balanced with the need for efficiency. This project aims to make the concept of supply chain resilience more tangible and easy to implement. We will conduct a number of exploratory case studies with our business partners, building on our current projects with, among others, ProRail/Dutch Railways. Insights from exploratory case studies will provide the basis for further experiments with decision-makers in both the laboratory and in the field. A management training





tool will also be developed to gain further insights into supply chain resilience and to help managers deal with uncertainty. From a managerial point of view, this project is exciting because of wide the range of companies contributing to the project and the variety of types of disruptions they might experience in different contexts. It is exciting from a scientific point of view as well since we aim to integrate supply-chain management (SCM) knowledge with insights from human resource management (HRM). From the SCM field, we will explore real-life disruptions and associated decision-making situations and use them to create realistic situations to explore group decision-making processes and structures among others through experiments. Results from these processes and structures, which rely on HRM knowledge and skills, will be incorporated into the SCM field."

#### *Societal relevance*

Van Donk: "The primary goal of this research project is to help organizations in reducing the impact of (inevitable) disruptions by building resilient supply chains. Supply chain disruptions can have a large negative effect on profit, sales, on-time delivery, and reputation. Results from this research open up new opportunities for Dutch organizations to be better trained via a decision support and training tool for resilience. Through our website and workshops, the holistic and complex concept of resilience becomes manageable for organizations. This will allow decision-makers to direct and prioritize resources accordingly; resilience is an investment and trade-offs with efficiency have to be made. Recent further explorative talks with our partners show a broad field of application and a need for this research to be done."

### **Sustainable Logistics in Fresh Food (SLIFF)**

#### *Projectleader*

Prof. Hans Wortmann (FEB)

#### *Co-applicants*

Prof. René de Koster (Erasmus University Rotterdam)

Dr. Marco Bijvank (Erasmus University Rotterdam)

#### *External partner*

Albert Heijn

#### *Contents of the project*

Wortmann: "The central objective of SLIFF is to make fresh food logistics more sustainable by improving logistics resource utilization while reducing distribution lead times. The project addresses two challenges in this context, namely "Optimization of network logistics versus optimization at distribution centre (DC)" and "Inventory optimization versus transport optimization". Distribution network planning have been largely addressed separately from local DC planning problems in research and practice. However, inventory reduction policies have resulted in a just-in-time flow of products – with little or no storage buffers throughout the distribution network. This requires a synchronization of network-level and local DC logistics planning. SLIFF will propose (distributed) decision-structures and develop optimization models to facilitate such synchronization. Another novelty of SLIFF is in acknowledging that vendors may share both transportation resources and storage space at the DC in the replenishment of the DC. Accordingly, SLIFF aims to jointly optimize transportation, inventory, and material-

handling resources. These resources are generally owned by many independent parties.

This first requires research in the domain of organization design, because the vendors, retailers and logistics service providers are autonomous companies. The second area is optimization models, because support in making multiple interdependent decisions is needed. The third area is ICT interoperability, because parties will be heavily interacting in synchronizing decisions.

Our partner retailer, Albert Heijn, has recently contracted a logistics services provider who, in the future, could act as a cross-chain control centre – coordinating transportation and inventory optimization for the many vendors involved."

#### *Societal relevance*

Wortmann: "The societal relevance of this research stems from several expected environmental and social performance improvements. Enhanced trailer utilization results in fewer trips needed to replenish retailers' DCs. The study will include options to use backhaul trips for forwarding goods, contributing to the circular economy and to increased truck utilization. This translates into reduced green-house gas emission, congestion on high-ways, and noise pollution. Improving space utilization enables the ability to postpone future DC expansions. Hence, retailers can handle a larger volume of fresh products with the same floor space, improving the emission of operating the DC per tonne freight."

## Key publications

**Rian Drogendijk** and Oscar Martín Martín. (2015) Relevant dimensions and contextual weights of distance in international management decisions: Evidence from Spanish and Chinese outward FDI. *International Business Review*, 24(1): 133-147. (forthcoming)

Goudarz Azar and **Rian Drogendijk**. (2014) Psychic Distance, Innovation and Firm Performance, *Management International Review*. 54(5): 581-613.

**Rian Drogendijk** and Ulf Holm (2012). Cultural distance or cultural positions? Analysing the effect of culture on the HQ – subsidiary relationship. *International Business Review*, 21(3): 383-396.

A portrait of Rian Drogendijk, a woman with blonde curly hair and glasses, wearing a red hoodie. She is looking slightly to the left of the camera. The background is dark with some blue light accents.

New in Groningen  
**Rian Drogendijk**



**After living in Sweden for almost a decade, Rian Drogendijk decided to move to Groningen. A remarkable choice as Drogendijk is not from the northern part of the country and did not know Groningen that well.**

**At FEB she is an associate professor in International Business and will continue her research on the internationalization of companies as well as participate in the International Business Master and Bachelor programmes.**

*Why did you choose Groningen?*

“My interests in cultural and other institutional differences between countries/regions and their effects on international management makes the Global Economics and Management group a good home for me: there are several people with similar interests in the group. At the same time, my work on the internationalization of companies complements that of colleagues in Groningen. The combination of overlap and novelty promises good opportunities for cooperation.

Groningen also feels like the right place to be after having lived in Sweden for almost ten years with my family (husband, three sons). We do not know Groningen well, but the quality of life seems very good: I love the city centre with its shops, cafés, terraces, and waterways, but also enjoy the calm and openness of the area around the city.”

*Could you tell us more about your previous career/your career so far?*

“After receiving my PhD from Tilburg University in 2001, I stayed on as assistant professor on the condition that I would acquire some foreign experience through international visits. On one of those visits to the Department of Business Studies in Uppsala – usually no longer than one or two weeks because I had three young children at the time – the local chair professor in International Business, Mats Forsgren, asked me: “Why do you not stay

a little longer?” That question led to our decision to actually move to Uppsala in 2005 and what was planned as a ‘little longer’ visit turned into an almost ten year stay.

In Uppsala, where I was promoted associate professor in 2009, I played a central role in the development of the International Business specialization in the Master program. In recent years I was responsible for the doctoral program of the Department, with over 50 doctoral students. I found it very satisfactory to work with advisors and doctoral students to run a good program that allows students to become very good researchers.”

*Your discipline is International Business and Management. What issues are dealt with in your research?*

“In much of my work I have studied the concept of cultural distance, criticizing the dominant way in which it is used in the field and discussing alternative concepts and measurements. I have tested such alternatives in diverse settings of international expansion, including Chinese Foreign Direct Investment. In 2010 and 2011 I received major research grants that allowed me to develop two projects on the internationalization of multinationals, both of which included extensive collection of primary data abroad.

For my work on the internationalization of companies, Uppsala was actually an exceptional place to be: it is the home of one of the dominant models in the field (even called the Uppsala model). According to the Uppsala model, firms internationalize stepwise, reducing risk and building up the experience that allows them to take further steps and increase risk and commitment abroad. In one of the ongoing projects we aim to complement insights of the Uppsala model with broader process theory, studying the expansion of a Swedish multinational in China. Strategic decisions – the focus of most research on internationalization – only show part of the story; political

and evolutionary processes complement and explain other mechanisms at play in foreign expansion.

In another project, we study how peripheral units in multinationals communicate to headquarters and other units to receive approval of or support for the business opportunities they observe in their local environment. Multinationals face many challenges with respect to communication: obviously language and culture play their role, but also existing (social) structures and the way in which the opportunity is communicated affect whether it gets attention or is ignored. Interesting opportunities may therefore go lost for the wrong reasons.”

*And how about societal relevance?*

“An example of research with direct relevance for practitioners is our communication project. We work closely with a company that has shifted its focus from its traditional markets in Europe to growth markets in Asia and the Americas. Headquarters struggles, however, to also make the necessary changes to patterns of existing relationships and structures, with the result that managers in the growth markets feel frustrated and ignored. We help the company to design communication structures that are more inclusive and allow them to benefit from opportunities observed throughout the world.”

*What can we expect of you in the future?*

“My first aim is to publish the results of the above mentioned projects. At the same time, I am looking forward to working with my new colleagues, for example to study culture issues, or to explore research questions related to one of the core themes at the RUG: (renewable) energy. Further, I aspire to play a role in expanding the existing cooperation (e.g. the double degree program in International Financial Management) of FEB with my old Department at Uppsala University in undergraduate, but also graduate education.”



## Publications

Please find below an overview of publications in SOM's top and very good journals, PhD theses and research reports in the period June - December 2014

## Articles

**Alblas, A., Peters, K., & Wortmann, J.** (2014). Fuzzy sustainability incentives in new product development: An empirical exploration of sustainability challenges in manufacturing companies. *International Journal of Operations & Production Management*, 34(4), 513-545.

**Angelini, V.**, Cavapozzi, D., Corazzini, L., & Paccagnella, O. (2014). Do Danes and Italians rate life satisfaction in the same way? Using vignettes to correct for individual-specific scale biases. *Oxford Bulletin of Economics and Statistics*, 76 (5), 643-666

**Beest van, N.R.T.P.**, Kaldeli, E., Bulanov, R., Wortmann, J.C., & Lazovik, A. (2014). Automated runtime repair of business processes. *Information Systems*, 39, 45-79.

Belderbos, R., Cassiman, B., **Faems, D.**, Leten, B., & Van Looy, B. (2014). Co-ownership of intellectual property: Exploring the value-appropriation and value-creation implications of co-patenting with different partners. *Research Policy*, 43(5), 841-852.

**Beugelsdijk, S.**, Slangen, A., **Maseland, R.**, & Onrust, M. (2014). The impact of home-host cultural distance on foreign affiliate sales: The moderating role of cultural variation within host countries. *Journal of Business Research*, 67(8), 1638-1646.

Bijlsma, M., Boone, J. & **Zwart, G.J.T.** (2014). Competition leverage: how the demand side affects optimal risk adjustment. *The RAND Journal of Economics*, 45(4), 792-815.

**Bouma, H. W.**, & **Teunter, R.H.** (2014). The routed inventory pooling problem with three non-identical retailers. *International Journal of Production Economics*, 156, 223-234.

Bruno, A., **De Cao, E.**, & Peracchi, F. (2014). Using panel data to partially identify HIV prevalence when infection status is not missing at random. *Journal of the Royal Statistical Society - Series A*, 177 (3), 587-606.

**Buijs, P., Vis, I.**, & Carlo, H. (2014). Synchronization in cross-docking networks: A research classification and framework. *European Journal of Operational Research*, 239(3), 593-608.

Carlo, H. J., **Vis, I.F.A.**, & **Roodbergen, K.J.** (2014). Storage yard operations in container terminals: Literature overview, trends, and research directions. *European Journal of Operational Research*, 235(2), 412-430.

Cheng, C., & **Huizingh, K.R.E.** (2014). When is open innovation beneficial? The role of strategic orientation. *The Journal of Product Innovation Management*, 31(6), 1235-1253.

Deckers, T., & **Hanck, C.** (2014). Multiple testing for output convergence. *Macroeconomic Dynamics*, 18(1), 199-214

**Dijkstra, T. K.** (2014). PLS'Janus face: Response to professor Rigdon's 'Rethinking partial least squares modeling: In praise of simple methods'. *Long Range Planning*, 47(3) 146-153.

**Dijkstra, T.K.**, & Schermelleh-Engel, K. (2014). Consistent partial least squares for nonlinear structural equation models. *Psychometrika*, 79(4), 585-604

Dorotic, M., **Verhoef, P.C.**, Fok, D. & **Bijmolt, T.H.A.** (2014). Reward redemption effects in a loyalty program when customers choose how much and when to redeem. *International Journal of Research in Marketing*, 31, 339-355.

**Eissens-van der Laan, M., van Offenbeek, M., Broekhuis, M.**, & Slaets, J. (2014). Van der Laan, M.R., Offenbeek, M.A.G. van, H. Broekhuis en J.P.J. Slaets. (2014), A person-centred segmentation study in elderly care: Towards efficient demand-driven care, *Social Science & Medicine*. 133 (July), 68-76

Giacomantonio, M., **Jordan, J.**, **Fennis, B.**, & Panno, A. (2014). When the motivational consequences of ego depletion collide: Conservation dominates over reward-seeking. *Journal of Experimental Social Psychology*, 55, 217-220.

**Heijdra, B.J., Mierau, J.O.**, & **Reijnders, L.S.M.** (2014). A tragedy of annuitization? Longevity insurance in general equilibrium. *Macroeconomic Dynamics*, 18(7), 1607-1634.

**Hoorn van, A.** (2014). Individualism and the cultural roots of management practices. *Journal of Economic Behavior & Organization*, 99, 53-68.

**Inkelaar, R. & Timmer, M.P.** (2014). The relative price of services. *Review of Income and Wealth*, 60(4), 727-746.

**Jong de, A., Hooghiemstra, R.B.H.**, & van Rinsum, M. (2014). To accept or reject an offer to join the board: Dutch evidence. *Long Range Planning*. 47(5), 262-276.

**Jong de, A.**, Mertens, G., van der Poel, M., & van Dijk, R. (2014). How does earnings management influence investors' perceptions of firm value? Survey evidence from financial analysts. *Review of Accounting Studies*.19(2), 606-627.

**Kaufmann, W.**, & Feeney, M.K. (2014). Beyond the rules: The effect of outcome favourability on red tape perceptions. *Public Administration*, 92(1), 178-191.

**Klasing, M.J.**, & **Milionis, P.** (2014). Cultural constraints on innovation-based growth. *Economic Inquiry*, 52(2), 796-810.

**Kohl, T.**, & Brouwer, A.E. (2014). The development of trade blocs in an era of globalization. *Environment and Planning A*, 46, 1535-1553.

**Krammer, M.S.S.** (2014). Assessing the relative importance of multiple channels for embodied and disembodied technological spillovers. *Technological Forecasting and Social Change*, 81, 272 - 286.

**Made van der, A.** (2014). Information provision by interest groups. *Environmental and Resource Economics*, 58(4), 649-664.

Malshe, A., & **Biemans, W.G.** (2014). The role of sales in NPD - An investigation of the US healthcare industry. *The Journal of Product Innovation Management*, 31(4), 664-679

**Maseland, R.K.J.** (2014). Does Germany have an East-West problem? Regional growth patterns since reunification. *Regional Studies*, 48(7), 1161-1175.

**Power, D.** (2014). Competence and capability in quality in the high-tech sector: An international comparison. *International Journal of Operations & Production Management*, 34(9), 1184-1209.

**Rauch, A.,** Van Doorn, R., & Hulsink, W. (2014). A Qualitative Approach to Evidence-Based Entrepreneurship: Theoretical Considerations and an Example Involving Business Clusters. *Entrepreneurship Theory & Practice*, 38(2), 333-368.

**Risselada, H., Verhoef, P.C. & Bijmolt, T.H.A.** (2014). Dynamic Effects of Social Influence and Direct Marketing on the Adoption of High-Technology Products. *Journal of Marketing*, 78(2), 52-68.

**Scholten, K.,** Sharkey Scott, P., & Fynes, B. (2014). Mitigation Processes – Antecedents for Building supply chain resilience. *Supply Chain Management: an International Journal*, 19(2), 211-218.

Singh, P., & **Power, D.** (2014). Innovative knowledge sharing, supply chain integration and firm performance of Australian manufacturing firms. *International Journal of Production Research*, 52(21), 6416-6433

**Soetevent, A. R., Haan, M.A., & Heijnen, P.** (2014). Do auctions and forced diversitures increase competition? Evidence for retail gasoline markets. *Journal of Industrial Economics*, 62(3), 467-502.

Sofka, W., Torres Petro, M., & **De Faria, P.** (2014). MNC subsidiary closures: What is the value of employees' human capital in new jobs. *Journal of International Business Studies*, 45, 723-750

**Veldman, J., & Gaalman, G.** (2014). A model of strategic product quality and process improvement incentives. *International Journal of Production Economics*, 149, 202-210.

**Veldman, J., Klingenberg, W., Gaalman, G.J.C., & Teunter, R.H.** (2014). Getting What You Pay For-Strategic Process Improvement Compensation and Profitability Impact. *Production and Operations Management*, 23(8), 1387-1400.

**Vries de, T., Walter, F., van der Vegt, G.S., & Essens, P.J.M.D.** (2014). Antecedents of individuals' interteam coordination: Broad functional experiences as a mixed blessing. *Academy of Management Journal*, 57, 1309-1333.

**Vries de, G.J.** (2014). Productivity in a distorted market: the case of Brazil's retail sector. *Review of Income and Wealth*, 60(3), 499-524.

**Xu, Y., & Dietzenbacher, E.** (2014). A structural decomposition analysis of the emissions embodied in trade. *Ecological Economics*, 101, 10-20.

Xu, J., Forman, C., Kim, J.B., & **Van Ittersum, K.** (2014). News Media Channels: Complements or Substitutes? Evidence from Mobile Phone Usage. *Journal of Marketing*, 78(4), 97-112.

Zeilstra, A.S. & **Elhorst, J.P.** (2014). An integrated analysis of regional and national unemployment differentials in the European Union. *Regional Studies*, 48, 1739-1755.

## PhD theses

### Raphael Aregu

Market and price decision enhancement services for farmers in Uganda  
Supervisor: Prof. H.G. Sol  
Defended on September 25, 2014

### Jakob Bosma

On systemic risk formation  
Supervisors: Prof. K. Roszbach, Prof. M. Koetter, Dr. L. Dam  
Defended on: December 18, 2014

### Maaike Bouwmeester

Economics and Environment – Modeling Global Linkages  
Supervisors: Prof. J. Oosterhaven & Dr T.M. Stelder  
Defended on July 3, 2014

### Paul Buijs

Horizontale en verticale samenwerking in distributieketens met cross-docks  
Supervisors: Prof. J.C. Wortmann, Prof. I.F.A. Vis & Dr N.B. Szirbik  
Defended on September 18, 2014

### Peter Dijkstra

Collusion, Antitrust Policy and Leniency Programs: Experiments and Theory  
Supervisors: Prof. L. Schoonbeek, Prof. J.L. Moraga González & Dr M.A. Haan  
Defended on October 13, 2014

### Addisu Lashitew

Resource misallocation and aggregate productivity  
Supervisors: Prof. M.P. Timmer & Dr. R.C. Inklaar  
Defended on November 20, 2014

### Dimitros Soudis

Looking under the hood: embedded actors and local institutions in the making of globalization  
Supervisors: Prof. J.H. Garretsen & Dr. R.K.J. Maseland  
Defended on November 27, 2014

### Werner Timans

Continuous quality improvement based on Lean Six Sigma in manufacturing small and medium sized enterprises  
Supervisors: Prof. C.T.B. Ahaus & Prof. D.M. van Sollingen  
Defended on October 27, 2014

**Nhung Vu**

Integrations of microfinance and business development services. Empirical evidence on microfinance institutions and clients. Supervisors: Prof. B.W. Lensink and Prof. E.H. Bulte  
Defended on November 17, 2014

**Shu Yu**

Leaders, Regimes, and Political Instability  
Supervisors: Prof. J. de Haan & Dr. R.M. Jong A Pin  
Defended on November 27, 2014

**Research Reports**

14016-GEM: **Bezemer, D., M. Grydaki** and **L. Zhang**, Is financial development bad for growth?

14017-EEF: **De Cao, E.** and **C. Lutz**, Sensitive survey questions: measuring attitudes regarding female circumcision through a list experiment

14018-EEF: **De Cao, E.**, The height production function from birth to maturity

14019-EEF: **Allers, M.A.** and **J.B. Geertsema**, The effects of local government amalgamation on public spending and service levels. Evidence from 15 years of municipal boundary reform

14020-EEF: **Kuper, G.H.** and J.H. Veurink, Central bank independence and political pressure in the Greenspan era

14021-GEM: **Samarina, A.** and **D. Bezemer**, Capital flows and financial intermediation: is EMU different?

14022-EEF: **Soetevent, A.R.** and L. Zhou, Loss Modification Incentives for Insurers Under Expected Utility and Loss Aversion

14023-EEF: **Allers, M.A.** and W. Vermeulen, Fiscal Equalization, Capitalization and the Flypaper Effect

14024-GEM: **Hoorn, A.A.J. van**, Trust, Workplace Organization, and Comparative Economic Development

14025-GEM: **Bezemer, D.** and **L. Zhang**, From Boom to Bust in de Credit Cycle: The Role of Mortgage Credit

14026-GEM: **Zhang, L.**, and **D. Bezemer**, How the Credit Cycle Affects Growth: The Role of Bank Balance Sheets

14027-EEF: **Bružikas, T.** and **A.R. Soetevent**, Detailed Data and Changes in Market Structure: The Move to Unmanned Gasoline Service Stations

14028-EEF: **Bouwmeester, M.C.** and **B. Scholtens**, Cross-border Spillovers from European Gas Infrastructure Investments

14029-EEF: Lestano, and **G.H. Kuper**, Correlation Dynamics in East Asian Financial Markets

14030-GEM: **Bezemer, D.J.** and **M. Grydaki**, Nonfinancial Sectors Debt and the U.S. Great Moderation

14031-EEF: **Hermes, N.** and **R. Lensink**, Financial Liberalization and Capital Flight: Evidence from the African Continent

14032-OPERA: **Blok, C. de, A. Seepma**, I. Roukema, **D.P. van Donk**, B. Keulen, and R. Otte, Digitalisering in Strafrechtketens: Ervaringen in Denemarken, Engeland, Oostenrijk en Estland vanuit een Supply Chain Perspectief

14033-OPERA: **Olde Keizer, M.C.A.** and **R.H. Teunter**, Opportunistic condition-based maintenance and aperiodic inspections for a two-unit series system





# Short News

In the past months, several FEB researchers have been appointed to various positions and grants were obtained.

## Appointments

### FEB Professor Dick de Waard honorary professor University of Curaçao

Dick de Waard, professor of Auditing at FEB and chair of the Department of Accountancy has been appointed honorary professor of Social Corporate Responsibility at the University of Curaçao.

## Grants

### NWO grants for sustainable logistics

Three groups of researchers from FEB have been awarded grants totalling over EUR 2 million by NWO. Their research will contribute to the aims of the national Logistics Top Sector. Within the Logistics Top Sector, NWO has a Sustainable Logistics research programme, which concentrates on making the Dutch logistics sector sustainable. This programme has now made a total of EUR 5 million available, about 40% of which has been awarded to Groningen researchers. These grants give an important impulse to the University's strategic research areas of logistics, sustainability and energy. Read more on these grants on pages 12-15 of this issue.

### Grant for healthcare research

FEB researcher Marjolein van Offenbeek won the competition for a 300.000 research contract to conduct an evaluation study for the Stichting Opleiding Ziekenhuis Geneeskunde. The research will be carried out by FEB researchers Gerdien Regts and Justin Drupsteen in cooperation with the Center for Toegepast GezondheidsOnderzoek. FEB professor Kees Ahaus will act as project advisor.

# Awards and Prizes

## Global benchmark: “Marketing researchers at FEB are worldclass”

A benchmark study by the Journal of Marketing Education, shows that the researchers of the Department of Marketing at the Faculty of Economics and Business of the University of Groningen are among the best in the world. The Journal ranked all subareas in Marketing research. Overall, the University of Groningen Marketing researchers rank #1 (non-US scholars) in the areas: Modeling and Quantitative Analysis, Marketing Management and Strategy and International Marketing. Department chairman professor Peter Verhoef ranks number 2 worldwide in the areas of Consumer Behavior, and Modelling and Quantitative Analysis.

## Sorin Krammer awarded the Haynes Prize

FEB researcher Dr. Sorin Krammer has been awarded the Haynes Prize for the Most Promising Scholar under 40 years of age by the Academy of International Business Foundation and the Eldridge Haynes Memorial Trust for his article “Greasing the Wheels of Change: The impact of corruption, local arbitrariness, and institutions on firm innovation”. The award was announced at the AIB Annual Meeting in Vancouver (June 2014).

## ESB Award 2014 for Bart Los, Marcel Timmer and Gaaitzen de Vries

With their article “De Concurrentiepositie van Nederland in Mondiale Waardeketens” (How competitive are The Netherlands in global value chains) FEB Researchers Bart Los, Marcel Timmer and Gaaitzen de Vries won the ESB Award for the best article in the Dutch journal Economisch Statistische Berichten (ESB). The award to the amount of 500 euro was announced during the annual Dutch Economists Day on October 31.

## Iris Vis and co-authors win international contest ‘Optimize the Real world’

FEB professor Iris Vis and her Dutch and Canadian team members Roel van Anholt, Leandro Coelho and Gilbert Laporte have won an international prize for their work in applying analytics to financial services. The team found a way to decrease the cost of operating ATMs by 12 percent, potentially saving ATM operators in the Netherlands an estimated €10 million annually. The solution can also increase cash availability at ATMs to improve customer satisfaction.

## Best Paper Award at international conference for Ernst-Jan Prosman

This summer at the European Operations Management Association (EurOMA) Conference Palermo, Italy, the yearly ‘Best Student Paper Award’ was granted to FEB research master student Ernst-Jan Prosman.

Most of the competitors were PhD students, but MSc student Ernst Jan won the prize for his paper: Dealing with deliberately defaulting suppliers: An Agency Theory perspective. He wrote the paper together with dr. Kirstin Scholten and prof. Damien Power of FEB.

# Other

## Collaboration agreement with UMCG signed at Healthwise-conference

UMCG (The University Medical Center in Groningen) and FEB have combined their expertise in the area of health economics and health care management for quite a number of years now, e.g. in the National Care for the Elderly Programme in the northern region of the Netherlands. On 31 October, Prof. Folkert Kuipers (Supervisory Board of the UMCG and Dean of the Faculty of Medical Sciences) and Prof. dr. Harry Garretsen (Dean of FEB) have signed the collaboration agreement at the opening of the Healthwise conference.

## Bianca Harms: first student to complete course-based phase part time PhD programme

PhD student Bianca Harms (lecturer at Stenden University Leeuwarden) has been the first student in SOM’s part time PhD programme (that started in September 2012) to complete the course-based phase. During the awards ceremony on November 27, 2014 she received the certificate “Academic Research Training Economics & Business”.

She will now continue with the research-based phase under supervision of Prof. Tammo Bijmolt & Dr. Wander Jager.

See our SOM AR film here:  
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## Colophon

FEB Research is published twice a year by the Faculty of Economics & Business and the Research School SOM of the University of Groningen. A digital version of the magazine can be found at: [www.rug.nl/feb/febresearch](http://www.rug.nl/feb/febresearch).

### Address

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Research School SOM  
University of Groningen  
P.O. Box 800  
9700 AV Groningen  
The Netherlands  
e-mail: [febresearch@rug.nl](mailto:febresearch@rug.nl)

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