

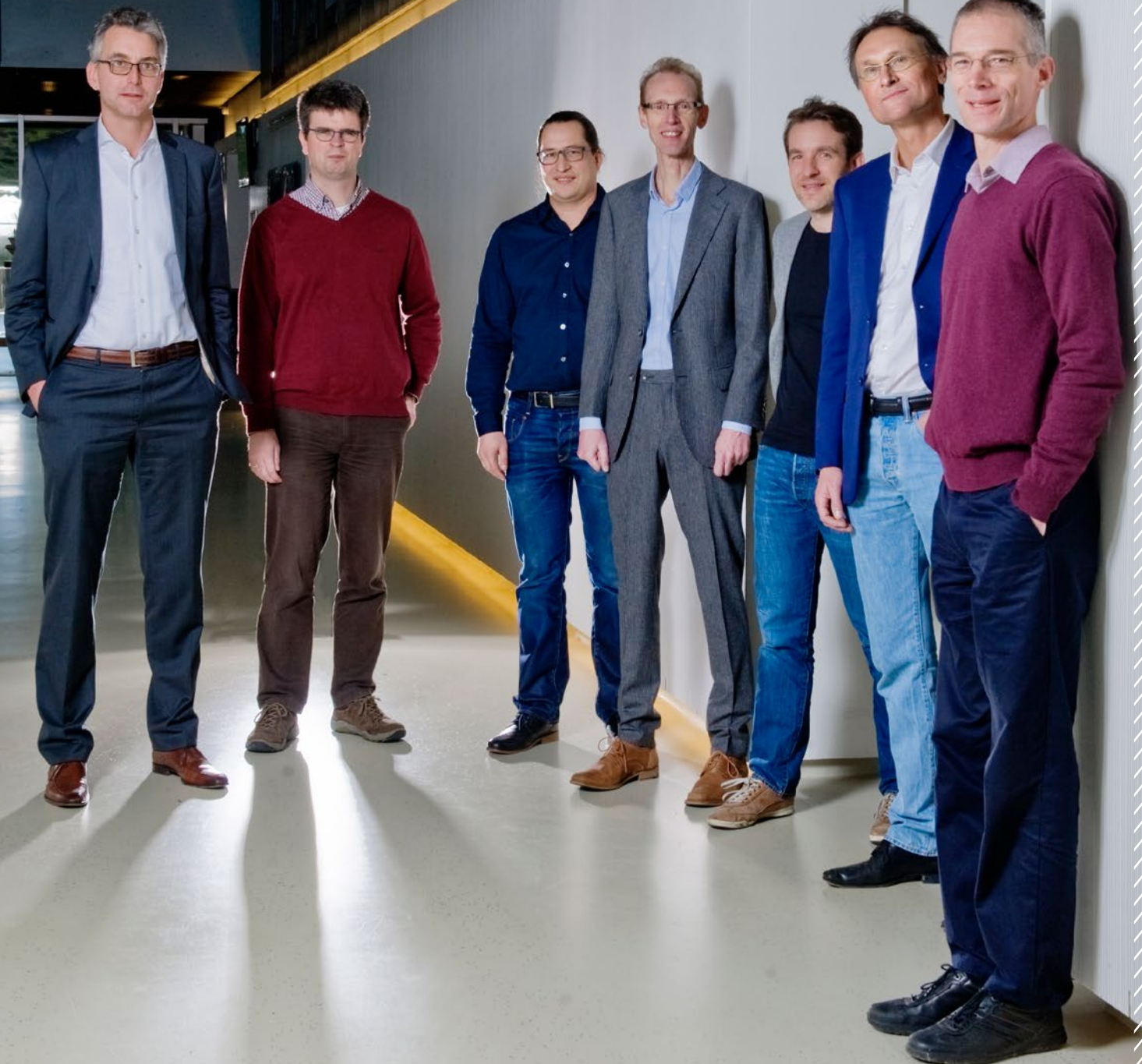


university of
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faculty of economics
 and business

FEB Research

Winter '16



Adding personal value

at the Faculty of Economics and Business

Colophon

Winter 2016

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On the cover from left to right: Peter Verhoef, Adriaan Soetevent, Jochen Mierau, Niels Hermes, Dries Faems, Dirk Pieter van Donk & Marcel Timmer

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Obituary Maarten van der Vlerk

On October 9, 2016, Professor Maarten H. van der Vlerk passed away at the age of 54. His death shocked the faculty, and caused profound sadness among his colleagues and friends. We will always remember him for his warm personality, his honesty, and his dedication.



New in Groningen: Noemi Peter

Her interest in microeconomics and microeconometrics made researcher Noemi Peter decide to move from Bern to Groningen.



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Maarten was one of our own. He obtained his PhD at the University of Groningen in 1995 for his thesis “Stochastic Programming with Integer Recourse”, an area in which he would later become a leading academic voice. After a period at CORE (Louvain-la-Neuve) he returned to Groningen and in 1999 he received a prestigious research fellowship from the Royal Netherlands Academy of Arts and Sciences (KNAW).

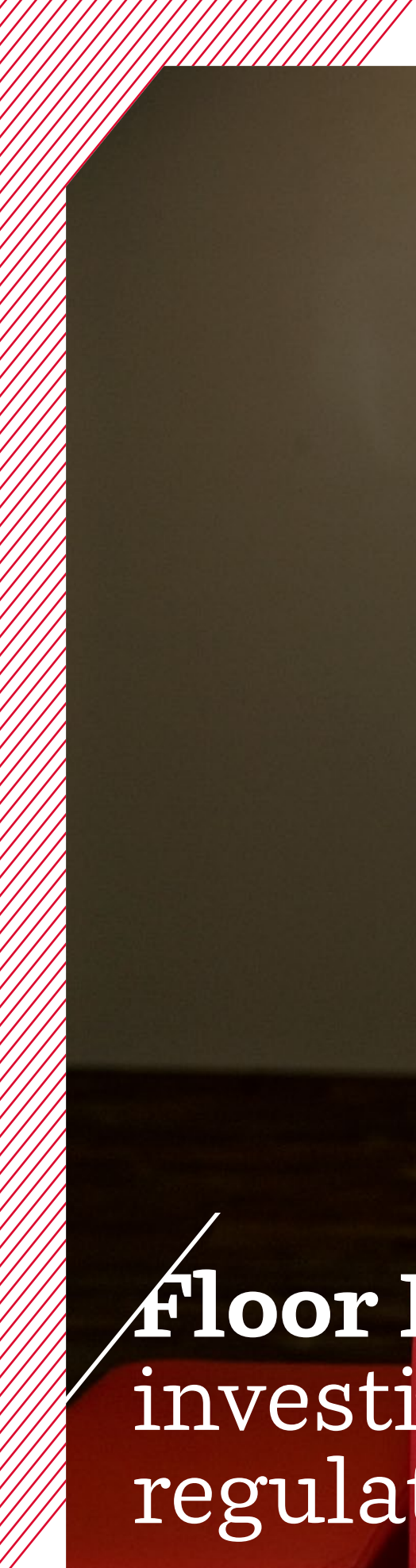
He would go on to be named professor of Stochastic Optimisation at the Faculty of Economics and Business, and director of the bachelor and master programmes Econometrics & Operations Research and Econometrics, Operations Research & Actuarial Studies.

He was also member of the general board of the LNMB, the Dutch Network on the Mathematics of Operations Research, and from 2004 until 2007 he was Chair of the Stochastic Programming community.

Maarten was not only a brilliant researcher, internationally renowned for his work in Stochastic Programming, he was also an outstanding teacher with a gift for imparting knowledge. He won the FEB Lecturer of the Year award in 2014. His courses, Stochastic Programming and the Specialization Course Applied Operations Research, were in the top five of our faculty almost every year. From information meetings for prospective students until their master degree ceremonies, his dedication to students was exemplary.

The FEB community feels his loss keenly, and our thoughts are with his loved ones and all his friends and colleagues.

Wim Klein Haneveld
Ward Romeijnders



Floor Rink

investigates how to best regulate companies



rug.nl/staff/f.a.rink

Effective

The financial crisis of 2007-2008 exposed problems at corporations that helped derail the global economy. Despite their failings, companies fiercely resisted the idea of tighter regulations.

What does this tell us, and is our current model of regulation fundamentally flawed? These are the questions on the mind of Floor Rink, Professor of Organizational Behavior and Identity Management at FEB. Over the coming years she will examine how companies can be most effectively regulated through her project *Internal and External Regulation of Top Management Decisions* funded by a VIDI research grant from the Netherlands Organization for Scientific Research NWO.

How would you explain your project to a non-expert?

"Important decisions about companies are made by a small group of top managers. Accountants and various supervisors check to make sure decisions at a high level are not harmful. Yet regardless of rules, there are still examples of companies that aren't functioning well, where wrong decisions are made. I am interested in studying the psychology of regulation, specifically, what is the type of regulation to which people respond best."

What is wrong with the current model?

"Economists traditionally have said that it's important to have as much independence as possible in regulation, to avoid conflicts of interest and lack of objectivity. I think it's a very valid argument to some extent. But the psychology and organisational behaviour literature have often shown that those independent regulators are evaluated very negatively. They are seen as police officers who can sanction or punish you. People therefore are not open to sharing all information with them. This indicates that a certain level of trust is needed. My question is whether an organisation can be best regulated from within or from outside, and how to find a balance between trust and independence."

What is new about your approach?

"I take a social identity perspective. People have all kinds of images about themselves, based on the groups to which they belong. Those groups influence our behaviour. This theory could nicely explain why 'who regulates who' is a very important predictor of success. We are far more likely to open up and be honest about mistakes with people who we can identify with and who we trust, rather than with people who are threatening to us and who we do not want to identify or associate with. So two key questions are: how can we structure regulation, such that regulators outside organisations are trusted more, and regulators within organisations gain more independence?"

Why did you get interested in this topic?

"After the financial crisis, I became interested in how corporations are monitored. Our current regulation system is based on an assumption that human behaviour is relatively simple: if you are subject to a rule you simply adhere to that rule. But over and over again we see that it's not the case. I thought this was interesting: why are people so against being supervised, and how can they best be regulated? This topic also fits into the Signature Area on Board Effectiveness [ed: one of seven research communities established by FEB to address pressing issues]. Separately from the Vidi project, I have been working in collaboration with the members of the signature area to examine when boards are also effective in their supervision role."



Key publications

Ellemers, N. & **F. Rink** (2016). Diversity in Work Groups. *Current Opinion in Psychology*, 11, 49-53.

Bunderson, S., G. van der Vegt, Y. Cantimur & **F. Rink** (2016). Different Views of Hierarchy and Why They Matter: Hierarchy as Inequality or as Cascading Influence. *Academy of Management Journal*, forthcoming

Waal, M. de, **F. Rink** & J. Stoker (2015). How Internal and External Supervisors Influence Employees' Self-Serving Decisions, *DNB paper series*; No. 46. Amsterdam: De Nederlandsche Bank, p 1-37



**Signature Areas:
Joint efforts to address
grand challenges**



To stimulate multi-disciplinary research on grand challenges like how to fund health care for an aging population and growing worldwide inequality, the Faculty of Economics and Business has established seven “signature areas”. These are research communities where experts with proven track records, and often different backgrounds, work on joint research projects. In contrast to existing research programmes and departments, these communities are much more flexible. By supporting these signature areas, FEB hopes to stimulate innovative, interdisciplinary research projects to solve complex societal challenges. The next pages introduce the seven signature areas: Board Effectiveness, Collective Resilience, Connecting Innovation and Creativity, Digital Business Models, Individual Health and the Economic Environment, Inequality, and Markets and Sustainability.



Board Effectiveness **Coordinator Prof Niels Hermes**

Since the Enron scandal in 2001 and the financial crisis in 2008, the apparent lack of effectiveness of boards has been at the centre of heated debate. As a consequence many new regulatory systems have been put into place to control decision making by corporate boards to avoid more problems. However, ongoing corporate scandals and public discussions about board remuneration illustrate that, despite increased regulation, boards are still not always effective in managing their organizations. Therefore, identifying the conditions under which boards thrive remains an important question. The central aim of this signature area is to examine the conditions that will make boards effective. FEB researchers will generate valuable knowledge on why boards are not always effective in meeting shareholder demands, and which conditions will help them to improve.



Collective Resilience **Coordinator Prof Dirk Pieter van Donk**

Why do some organizations, sectors, or economic regions successfully adjust and even thrive in adversity while others fail to do so? Collective resilience refers to the complex interplay between organizational, infrastructural, and environmental factors that shape the emerging responses of organizations in a particular area, region, or nation to stress from disturbances, threats, or calamities. Resilience should be developed at all levels of society as a latent system capacity, ready to respond when needed. Collaboration is advocated as an essential requisite for addressing these challenges. The disciplines Organizational Behaviour, Supply Chain Management, International and Regional Economics are combining their efforts and expertise to deepen the understanding of collective resilience at meso level, micro and macro level, and to provide for national and international stakeholders solutions that build and strengthen resilience.



Inequality **Coordinator Prof Marcel Timmer**

Income inequality is increasing around the world, both between and within countries, as growth seems to mainly benefit an urban elite of capital owners and highly-educated workers. This has triggered various kinds of social and political conflicts both in developed and in developing countries. Resolving these conflicts is one of the major societal challenges of our time and it requires solid understanding of the dynamics of global development and inequality, which is what this research area will focus on. Researchers within the signature area Inequality aim at generating new explanations for patterns of economic development and inequality in countries that are consistent with these long-run trends. These explanations should provide a comparative perspective at global development and will incorporate insights from Economic Growth, International Economics, New Economic Geography, Labour Economics, Development Economics as well as International Business.



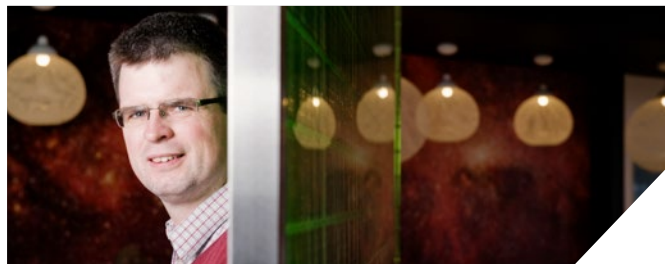
Individual Health & the Economic Environment **Coordinator Dr Jochen Mierau**

Today, people live longer and healthier than ever before. At the same time fertility has decreased. This 'generational storm' is by far the most important trend faced by governments around the world today. Only if population ageing is associated with a further increase in healthy years - allowing people to live independently - will the generational storm lead to better futures. To cope with this new challenge requires individuals to actively engage with their economic environment so as to become a co-creator of their own health status. Researchers within the signature area Individual Health and the Economic Environment study how individuals adapt their behaviour to these new circumstances. Through collaborative research over a vast array of fields the signature area contributes to individuals' ability to cope with the challenges of modern health and health care.

Markets and Sustainability

Coordinator Prof Adriaan Soetevent

Researchers from Marketing, Operations and Micro-economics will focus on how consumers and firms can be influenced to adapt their behaviour, and how market design and logistic networks can foster sustainability. The main research themes within the signature area are: Understanding Consumer Choices, Learning in Markets and Adoption of Sustainable Products. To be able to steer consumers towards more sustainable choices, we first have to understand what drives their behaviour. How is an individual's inclination to make pro-social choices shaped by the (market) context in which he/she makes those decisions? Research within the second theme will focus especially on the role of information provision in the long run. How do consumers and firms deal with information that becomes available via the price mechanism and through other channels such as their social network? What are longer term effects of efforts to induce consumers to adopt sustainable products or to change their



consumption behaviour otherwise? Furthermore, researchers within this area want to investigate how adoption of sustainable products can be encouraged. How can consumers be nudged towards such adoption? How can markets and logistical networks be designed (e.g. in terms of infrastructure) to facilitate such adoption?



Digital Business Models

Coordinator Prof Peter Verhoef

One of the major developments in today's society is increasing digitalization. Digitalization affects entire business models and has important implications for the functioning of marketing, logistics and innovation strategy. The marketing function has changed dramatically with a stronger focus on online and mobile marketing. Assortment and pricing decisions have become more flexible in online environments. Logistics also have become more complex but are crucial to compete. Customers demand to be served day and night with fast home-deliveries, and to be able to conveniently return products. Company logistics streams need to handle this complexity while guaranteeing quick deliveries at low cost. The development of products with new digital features is becoming the norm. Within innovation, digitalization also requires new value propositions, partnerships, key resources, and delivery channels. Marketing, logistic, and innovation functions need to cooperate more in order to deliver superior customer value at low costs.



Connecting Innovation and Creativity

Coordinator Prof Dries Faems

Workplace creativity and innovation are becoming more and more important in contemporary society. At the same time, organizations continue to struggle with connecting creativity and innovation. According to the European Commission, for instance, one of the major weaknesses of the European economy lies in the difficulty of translating its creative knowledge base into innovative goods and services that can be launched into the market: the 'European Valley of Death'. Relevant example questions within this research area are: Which leadership style is required to successfully transform creative ideas into innovative products and services? How should teams be composed that work on creative or innovative projects? How can we make sure that creative ideas do not die a silent death, but are actually used to create profitable innovations? How can we create organizational cultures and structures that are conducive to both creativity and innovation?



New in Groningen Noemi Peter



rug.nl/staff/a.n.peter

Noemi Peter joined FEB in the fall of 2016 as Assistant Professor at the Department of Economic, Econometrics & Finance. Her interest in microeconomics and microeconometrics made her decide to start a tenure track in Groningen.

Could you tell us more about your career so far?

"I started studying economics in Hungary, at the Corvinus University of Budapest, where I obtained my master's degree and I got very interested in research. So, right after finishing my studies in Hungary, I went to Amsterdam and did a Master of Philosophy in economics at the Tinbergen Institute. I graduated from that program Cum Laude, and became a PhD student at the University of Amsterdam, under the supervision of Hessel Oosterbeek. Towards the end of my PhD, I became a research associate of the University of Bern. I worked for the University of Bern for about one and a half years and then I moved to Groningen."

Why did you choose Groningen?

"Adriaan Soetevent, who is now a Professor of Microeconomics at the RUG, was the Director of Graduate Studies at the Tinbergen Institute when I graduated there. He was also a faculty member at the University of Amsterdam, where I subsequently did my PhD. Thus, I knew him well and I have to say I found his research very inspiring. His move to Groningen raised my interest in the RUG. I saw that both microeconomics and microeconometrics are important research fields there, which are my main fields of interest. In addition, I also knew that Adriaan wants to strengthen experimental economics at the RUG, which is one of the areas that I am focusing on. When I saw that a position had opened, I applied. In addition to these professional reasons, I had some personal ones as well. I like the Netherlands and the general attitude of the Dutch people, so I was happy to find a position here. Also, my son was born in Amsterdam during my PhD, he is fluent in Dutch so I thought that he would adjust easily to a move to Groningen."

Which issues are dealt with in your research, and what is their societal relevance?

"Most of my projects examine factors that could affect individuals' educational and labour market choices and outcomes. One of my aims is to get a better understanding of the role of family background. Another question that I find particularly interesting is why people with the same cognitive skills make different study choices. It is clear that cognitive measures such as grades are important predictors, for example, those with worse math grades typically choose less math-intensive study fields. However, grades cannot explain everything.

For example, if we take only students who have very good math grades, we still see a lot of differences in their choices; many of these students choose specialisations that contain hardly any math. Focusing only on ability measures such as grades will leave a large part of the variation unexplained. I mentioned math intensity here just to give an example; the phenomenon is actually more general, it holds for many other aspects of study choices as well.

I believe that incorporating behavioural insights, non-cognitive skills and preferences could help us understand a substantial part of the unexplained variation in study choices. For example, I would like to know the role of competitiveness, time preferences and locus of control. I am also very interested in the potential that these factors have in explaining gender differences in study and career choices.

As for the societal relevance, I think it is clear that a better understanding of educational and career choices means that we will know more about the human capital accumulation process, which is an important factor in the growth of countries. To stay at the example of math-intensive specialisations: such specialisations are required for many so-called STEM jobs, that is, for jobs in Science, Technology, Engineering and Math. The shortage of STEM professionals is a recurring theme in policy discussions, and having qualified people in these fields is often viewed as a key to innovation and economic progress."

What can we expect of you in the future?


"I am currently preparing for a presentation that I will give in January, at the 2017 Annual Meeting of the American Economic Association/Allied Social Sciences Associations. This will be on a research project that focuses on the math dimension that I mentioned above. Together with my co-authors, Thomas Buser and Stefan Wolter, we examine the specialisation choices of Swiss Baccalaureate school (high school) students. We link an experimentally elicited measure of competitiveness to these choices, and find that it predicts whether students specialise in math. We also show that there are gender differences in these choices, that is, boys are more likely to specialise in math than girls. Boys are also more likely to compete and this gender difference in competitiveness could partially explain why girls are less likely to choose a math-intensive specialisation.

Among my plans is to follow up on this and examine whether similar patterns hold for other students and other types of study choices. I would also like to examine the origins of competitiveness and the gender gap therein. In addition, my future plans include research on other kind of individual outcomes, in particular consumer and organisational behaviour. In terms of methodology, my plan is to strengthen the presence of experimental economics at the RUG."



Key publication

Buser, T. & N. Peter (2012), Multitasking. *Experimental Economics*, 15(4), pp. 641-655.



Daron Acemoglu, 49, is the author of *Why Nations Fail*, along with James Robinson. He was born in Turkey and studied at the University of York and LSE. Acemoglu is the Elizabeth and James Killian Professor of Economics at MIT and the fifth most-cited economist in the world, according to IDEAS. He is a recipient of John Bates Clark Medal for economists under forty judged to have made the most significant contribution to thought and knowledge.

Daron Acemoglu on a robotic future

What will happen to jobs as more tasks are done by robots? Will mass unemployment ensue, or will humanity adjust as it has to new technologies in the past? The answer is uncertain, according to leading economist Daron Acemoglu. The MIT professor laid out possible scenarios for the future when he visited FEB in November to give the Groningen Growth and Development Centre's Maddison Lecture.

The title of his talk was 'The Race of Man Against Machine', and it touched on a key topic of research at the Faculty of Economics and Business: inequality. Inequality is the subject of one of FEB's signature areas, which bring together researchers with different specialties to solve problems of international importance. Acemoglu's lecture at FEB was particularly relevant. Here are key sections of the talk in Acemoglu's own words, condensed for brevity:

Technologies can be 'enabling' or 'replacing'

"Enabling technologies complement or increase the productivity of certain types of skills. An obvious example is computer assisted design. Yet increasingly we are in a new phase, where technologies don't augment or enable workers and their activities, they replace them. Robots are the ultimate replacing technology. They are not helping people do tasks, they just take over tasks."

Where is the effect?

"Our data is from 722 commuting zones in the United States, which is behind Europe in terms of penetration of robots. Exposure to robots is essentially entirely on the east coast of the United States, because that's where a lot of the industries that have been automated or robotised are located. You can recognise some of these places as the heartland of Trump. The main industry that is affected by robots is automobiles, where assembly lines are filled increasingly by robots. But other industries are affected, including metal products, plastic products, chemicals, electronics, and food."

What is the result?

"I get fairly large numbers: one additional robot per 1,000 workers reducing employment by seven jobs. Wage effects are also pretty large: one robot per 1,000 workers has reduced wages by 1.6 percent. You should be healthily sceptical about these results because it's comparing trends in different cities. But the effects are there for men and women, slightly larger for men. You see the effects where you would expect them, in the heavily robotised industries."

What future scenarios are there?

"Differently to other technologies, which were replacing some tasks but also augmenting other workers, robots are not directly helping anybody. Employers benefit, productivity increases, but labour does not benefit. So there are huge distributional consequences.

The optimistic scenario is that there will be employment creation but that it will come from new tasks. If robots are replacing a lot of tasks then there's a lot of labour that's being freed. Relatively cheap labour is going to fuel the creation of more tasks. From the 1980s to the 2000s, new employment often came from tasks which did not previously exist in the dictionary of occupations. Things like management consultants, radiologists, programmers, and app writers. The pessimistic scenario is that we are going to have more and more workers pushed into low-wage occupations. I think the future is very uncertain.

Perhaps we are going to create lots of unemployment, lots of low wages, but also a lot of wealth because of these productivities. But that's uncertain, and there are also some puzzles. First, we have not so far found good ways of redistributing that wealth. Second, we don't actually seem to be creating a lot of it; or not a lot of it in most of the industries where we expect it."

Are there some tasks which robots will never do?

"We have learned not to underestimate computers. They are an increasing number of tasks that 10 years ago were thought to be impossible for machines to perform, and we now take for granted: beating Go masters, reading emotions, passing the Turing Test. Even five years ago I read many philosophers arguing that this was going to be impossible, and this is changing entirely."



In the spotlight
**Thom de Vries on
managing coordination
in multiteam systems**

What is the article about?

“Multiteam systems (MTSs) comprise several specialised “component teams” that need to coordinate work in order to deal with complex and demanding challenges (e.g., emergency response, product development). Coordination is, however, often problematic within MTSs due to misunderstandings that can arise from differences in specialised component teams’ routines, jargon, and working methods. In this project, myself, John Hollenbeck (Michigan State University), Rob Davison (University of Kansas), Frank Walter (University of Giessen) and Gerben van der Vegt examined how MTSs may use “generalist” members to overcome such coordination difficulties. Generalist members have experience in multiple functional work domains (e.g., operations, finance, HR, etc.) and, as such, may understand the functions and workings of MTSs’ diverse component teams. Correspondingly, we expected that generalists are able to help coordinate component teams’ efforts in a bottom-up, lateral manner (i.e., horizontal coordination). Horizontal coordination may, in turn, increase MTS performance. We further expected that there might be detrimental side effects to generalists. Generalist members often lack in-depth experience within any specific work area. MTSs with many generalists might, thus, be tempted to avoid working towards high-impact, strategic goals for which specialised experience is beneficial.

We further argued that generalists’ ultimate influence might be contingent on the actions of the formal integration team in the MTS. The integration team is responsible for overseeing component teams’ horizontal coordination and realisation of strategic goals. As such, the integration team is uniquely positioned to develop “big-picture information” on coordination and strategic demands in the MTS. We suggested that the integration team could distribute this information by aligning its efforts with component teams – a process that we refer to as “vertical coordinated action”. Equipped with this information, generalists may be able to use their broad understanding and horizontally coordinate component teams’ efforts. We further proposed that the integration team could emphasise core strategic goals through vertical coordinated action, thereby focusing component teams on strategic efforts that advance such goals. Even MTSs with many generalists may then pursue strategic goals.”

What are the main results?

“We tested our hypotheses using a sample comprised of 3,304 United States Air Force officers attending a five-week leadership development course. As part of the course, participants were assigned to 236 fourteen-person MTSs. Our analysis provided evidence in support of our hypotheses. Results corroborated that vertical coordinated action enabled MTSs to realise the performance benefits of generalists through increased horizontal coordination, while neutralising its negative side effects. In contrast, MTSs with poor vertical

Publication in the spotlight

Vries, T. A. de, J.R. Hollenbeck, R.B. Davison, F. Walter & G.S. van der Vegt (2016). Managing Coordination in Multiteam Systems: Integrating Micro and Macro Perspectives, *Academy of Management Journal*, 59(5), 1823-1844.



coordinated action experienced the negative effects of generalists, but failed to experience related benefits. In sum, these findings help to resolve the ambiguity regarding generalists’ value for coordination and MTSs performance by illustrating generalists’ distinct benefits and detrimental side effects, as well as strategies to optimise these implications.

To illustrate the practical relevance of these findings, we examined the implications of the “best-case scenario” advanced in this research for MTS performance: high numbers of generalists combined with high vertical coordinated action. In our sample 6.4% MTSs had both many generalists and high vertical coordinated action. These MTSs were clearly overrepresented among the top-performing systems, with 16% of the top-25 performers exhibiting a best-case scenario. In fact, MTSs with many generalists and high vertical coordinated action were 2.5 times more likely to be in the top 25 compared to systems with fewer generalists and/or lower vertical coordinated action. Moreover, MTSs exhibiting a “best-case scenario” were underrepresented among the worst-performing systems in our sample, representing only 4% of the bottom-25 performers.”

What are the practical implications?

“Based on our results it appears possible to improve horizontal coordination and MTS performance by selecting members with broad functional experiences or by promoting such experiences through training opportunities and appropriate assignments. By increasing the number of generalists, MTS leaders may enable component teams to bridge language, thought-world, and goal differences that may otherwise prove detrimental. By itself, selecting or training functionally broad members is unlikely to guarantee high performance. Our results suggest that without effective integration team support (through vertical coordinated action), horizontal coordination may be too complex and burdensome even for MTSs with many generalists. In fact, generalists may even diminish MTS performance in such situations.”



rug.nl/staff/thom.de.vries/

Gert-Jan Romensen on the Venice-Groningen cooperation



rug.nl/staff/g.j.romensen

Ca' Foscari Venice and the University of Groningen co-organise a PhD workshop in Economics. FEB PhD student Gert-Jan Romensen shares his experiences with the Venice-Groningen cooperation.

Who is Gert-Jan Romensen?

"I am a second-year PhD Candidate at the Department of Economics, Econometrics & Finance, under supervision of Adriaan Soetevent and Marco Haan. When at Zernike, I can either be found at the seventh floor working on my PhD research or in a classroom trying to teach students the principles of microeconomics. You may also spot me near Micaffè brainstorming about existing or new research projects. When I am not at Zernike, I enjoy cooking and (try to) compensate this by setting my alarm clock early to go to the gym before work. I also appreciate good books and podcasts on topics related to microeconomics, behavioural economics and social psychology. When weather permits, I like to go for a walk in the Noorderplantsoen or cycle in the areas surrounding Paterswoldsemeer and Zuidlaardermeer. If Buienradar disagrees with my outdoor plans, however, I usually opt for the alternative of playing card games with my girlfriend, though sometimes tensions arise because we both cannot stand losing."

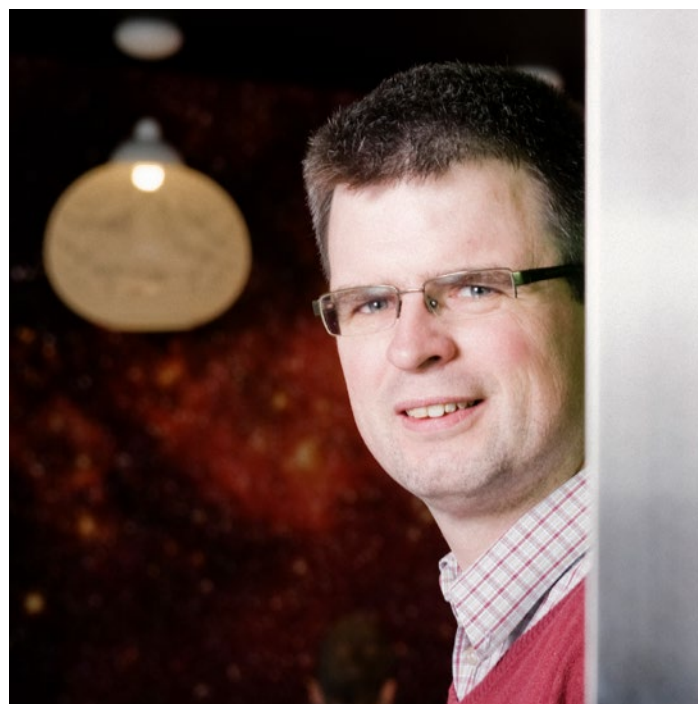
What is your research about?

"My current research focuses on the question how workers can be motivated by non-financial incentives to conserve energy and fuel. I greatly enjoy working with companies to design and implement field experiments that evaluate these incentives. For example, during my time as a Research Master student I started working with Adriaan on projects together with a large public transport company. The company recently installed on-board computers in their entire fleet of buses and we use this technology to collect detailed trip-level data on driving behaviour. Given the high-frequency character of the data, we are able to measure both immediate and delayed responses of bus drivers to various non-financial incentive schemes. More in general, being part of the signature area Markets & Sustainability, I enjoy thinking of and developing research projects that shed a field experimental light on topics pertaining to worker and consumer behaviour in sustainability contexts."

What are the benefits of this cooperation?

"The Groningen-Venice PhD workshop is a great venue for PhD students to get detailed feedback from peers and senior researchers. The workshop allows both parties to benefit from each other's expertise. In an informal yet professional setting, each student gets ample time to present a recent paper, after which extensive comments are provided by the audience and a discussant. Furthermore, senior researchers from Groningen and Venice talk about their latest work and share their insights on doing good research. The day-long program ensures that there is enough time to interact and to exchange ideas about current and new research. After participating in two editions,

first as a spectator in Groningen and later as a presenter in Venice, I can truly say that the workshop succeeds in creating an environment which stimulates discussion and creative thinking, while simultaneously nudging students in the right direction with their projects. Finally, I personally believe that it is important for PhD students to gain experience in presenting their work in international settings. Collaborations such as the Groningen-Venice PhD workshop make this possible."



Adriaan Soetevent

"There are many ties between the University of Groningen and Ca' Foscari Venice. Some of our staff originates from Venice and starting this year, the two schools also have an Erasmus+ agreement for student exchange at the undergraduate level. It is mutually beneficial to extend this exchange to the PhD-level.

The joint workshop adds to the PhD program at both departments: it structures the PhDs research by providing them with an additional important deadline towards which they can work; selected students receive valuable feedback from the discussant and general audience.

As organizers, our impression is that the meetings have been very fruitful in providing PhD students with pointed comments on their work in an early stage. In a number of cases the workshop has also initiated more structural contact between students from both faculties."

Short news



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

Grants



Kees Jan Roodbergen wins NWO grant on E-Fulfillment

FEB Researcher Kees Jan Roodbergen has been awarded a NWO grant (worth €963,000 in total) to help develop roadmaps to secure the leading Dutch distribution position in the global e-commerce landscape. The University of Groningen, Fontys and twenty private parties aim to strengthen Dutch e-commerce firms in terms of e-fulfillment by developing effective omni-channel and platform strategies. The NWO grant is part of the Top Sector research area of Logistics. The private-public partnership makes use of the valuable networks of knowledge institutions such as Thuiswinkel.org and ShoppingTomorrow.

Wallenberg Academy Fellowship for Jutta Bolt

Despite an increase in life expectancy, birth rates in Africa are still enormous. Why does this trend differ from the rest of the world? Researcher Jutta Bolt, economic historian at FEB, will study old missionary archives to find out the influence of factors such as drought, starvation, epidemics and colonialism. To do this, Bolt has been awarded a Wallenberg Academy Fellowship by the Knut and Alice Wallenberg Foundation, worth € 1.000.000.

NWO grant for Rob Alessie

Rob Alessie, Professor Micro-econometrics at FEB was awarded a NWO research grant of € 600.000 for the project 'Improvement of the health - and financial literacy of the population of Curaçao'. The aim of the Groningen part of this project is to gain insight into how to improve financial literacy and to study the effects of financial literacy on financial decisions of residents of Curaçao.

Prizes and awards



Verhoef and Alsem win prizes for books

The winner of the Marketing Literature Prize 2016 of the Platform Innovation in Marketing (PIM) is the book "Creating Value with Big Data Analytics" by FEB Researcher Peter Verhoef of FEB and his co-authors Edwin Kooge and Natasha Walk. In addition, the prize for the best Marketing Text Book 2016 goes to the book "Merkpositionering", by Karel Jan Alsem of the Marketing department and his co-author Erik Kosteljik of the Hanzehogeschool.

Best Reviewer Award for Frank Walter and Floor Rink

FEB researchers Floor Rink and Frank Walter both won a 'Reviewer Award 2016' from the Academy of Management Journal at this year's Annual Academy Meeting. Each year the editors recognize reviewers who excel in their work and hence provide outstanding service to the journal.

Reggy Hooghiemstra, Niels Hermes and Jim Emanuels win Runner-up best paper award

National culture determines how and how much firms disclose in their annual reports. This is one of the findings in a prizewinning article by FEB researchers Reggy Hooghiemstra, Niels Hermes and Jim Emanuels. They won the 2015 runner-up best paper award of Corporate Governance: An International Review (CGIR, volume 23), including a money prize of \$2,500.

Ward Romeijnders runner-up Stochastic Programming Student Paper Prize

FEB Researcher Ward Romeijnders was selected as runner-up (out of 24 contestants) for the Stochastic Programming Student Paper Prize. He won the second prize for his paper entitled 'A Convex Approximation for Two-Stage Mixed-Integer Recourse Models with a Uniform Error Bound' with co-authors Rüdiger Schultz (Universität Duisburg-Essen), Maarten van der Vlerk and Wim Klein Haneveld. The prize was awarded during a special session at the triennial International Conference on Stochastic Programming in Búzios, Brazil.

Outstanding Paper Award for Theo Dijkstra

FEB Researcher Theo Dijkstra together with Youbaraj Paudel, Wouter Botzen and Jeroen Aerts (VU University), has been awarded the Outstanding Paper Award 2015 of the Journal of Flood Risk Management. The prize has been awarded for their paper entitled "Risk allocation in a public-private catastrophe insurance system: an actuarial analysis of deductibles, stop-loss, and premiums". The Outstanding Paper Award considers all papers which were published in volume 8 of the journal during 2015.

Appointments



Sjoerd Beugelsdijk appointed reviewing editor Journal of International Business Studies

FEB Researcher Sjoerd Beugelsdijk is appointed Reviewing Editor of the Journal of International Business Studies (JIBS). His responsibilities include first stage screening of all submissions (more than 750 a year), desk reject letters, and forwarding a brief review of each paper to the editor in chief.

Iris Vis appointed as Dean of Industry Relations

On 1 September 2016 Iris Vis was appointed as Dean of Industry Relations at the University of Groningen (UG). By appointing Iris Vis, who is also a full professor at FEB the UG intends to strengthen and develop its existing relationship with industry.

Peter Verhoef Academic Trustee of Marketing Science Institute

Peter Verhoef has been appointed Academic Trustee of the Marketing Science Institute (MSI) in Boston. MSI focuses its efforts on bridging the gap between academic marketing theory and business practice. This prestigious institute selects academics with an international reputation to advise on its research priorities. The trustees also represent MSI in its dealings with member companies.

Publications

Please find below an overview of publications in SOM's top journals, PhD theses and reports in the working paper series in the period June - December 2016.

Journals

Allers, M.A., and **J.B. Geertsema** (2016). The Effects of Local Government Amalgamation on Public Spending, Taxation, and Service Levels: Evidence from 15 Years of Municipal Consolidation. *Journal of Regional Science*, 56 (4), 659-682.

Babic Rosario, A., F. Sotgiu, K. de Valck, and **T.H.A. Bijmolt** (2016). The Effect of Electronic Word-of-Mouth on Sales: A Meta-analytic Review of Platform, Product, and Metric factors. *Journal of Marketing Research*, 53 (3), 297-318.

Biemans, W.G., A. Griffin, and R.K. Moenaert (2016). Perspective: New Service Development: How the Field Developed, Its Current Status and Recommendations for Moving the Field Forward. *The Journal of Product Innovation Management*, 33 (4), 382-397.

Bolt, J., and E. Hillborn E. (2016). Long-term Trends in Economic Inequality: Lessons from Colonial Botswana 1921-1974. *Economic History Review*, 69 (4), 1255-1284.

Bosma, J.J. (2016). Dueling Policies: Why Systemic Risk Taxation Can Fail. *European Economic Review*, 87 (3), 132-147.

Bunderson, J.S., G.S. van der Vegt, Y. Cantimur, and F. Rink (2016). Different Views of Hierarchy and Why They Matter: Hierarchy as Inequality or as Cascading Influence. *Academy of Management Journal*, 59 (4), 1265-1289.

Burmester, A.B., **F. Eggers**, M. Clement, and T. Prostka (2016). Accepting or Fighting Unlicensed Usage: Can Firms Reduce Unlicensed Usage by Optimizing their Timing and Pricing Strategies? *International Journal of Research in Marketing*, 33 (2), 343-356.

Cleeren, K., K. Geyskens, **P. Verhoef**, and J.M.E. Pennings (2016). Regular or Low-fat? An Investigation of the Long-run Impact of the First Low-fat Purchase on Subsequent Purchase Volumes and Calories. *International Journal of Research in Marketing*, 33 (4), 896-906.

Vries, T.A. de, J.R. Hollenbeck, R.B. Davison, F. Walter, and G.S. van der Vegt (2016). Managing Coordination in Multiteam Systems: Integrating Micro and Macro Perspectives. *Academy of Management Journal*, 59 (5), 1823-1844.

Delre, S.A., **T.L.J. Broekhuizen** and **T.H.A. Bijmolt** (2016). The Effects of Shared Consumption on Product Life Cycles and Advertising Effectiveness: The Case of the Motion Picture Market. *Journal of Marketing Research*, 53 (4), 608-627.

Dube, N., T. van der Vaart, R.H. Teunter, and L.N. van Wassenhove (2016). Host Government Impact on the Logistics Performance of International Humanitarian Organizations. *Journal of Operations Management*, 47-48 (Nov.), 44-57.

Estrada Vaquero, I., D. Faems, N. Martin-Cruz, M.P. Perez-Santana (2016). The Role of Interpartner Dissimilarities in Industry-University Alliances: Insights from a Comparative Case Study. *Research Policy*, 45 (10), 2008-2022.

Haan, M.A. (2016). A Rent-Seeking Model of Voluntary Overcompliance: Addendum. *Environmental & Resource Economics*, 65 (1), 313-315.

Kannan, P.K., W. Reinartz, and **P.C. Verhoef** (2016). The Path to Purchase and Attribution Modeling: Introduction to Special Section. *International Journal of Research in Marketing*, 33 (3), 449-456.

Klomp, J., and **J. de Haan** (2016). Election Cycles in Natural Resource Rents: Empirical Evidence. *Journal of Development Economics*, 121 (July), 79-93.

Lemon, K.N., and **P.C. Verhoef** (2016). Understanding Customer Experience throughout the Customer Journey. *Journal of Marketing*, 80 (Nov.), 69-96.

Los, B., M.P. Timmer, and G.J. de Vries (2016). Tracing Value-Added and Double Counting in Gross Exports: Comment. *American Economic Review*, 106 (7), 1958-1966.

McCarthy, K., and H.L. Aalbers (2016). Technological Acquisitions: The Impact of Geography on Post-acquisition Innovative Performance. *Research Policy*, 45 (9), 1818-1832.

Oosterhaven, J., and M. Bouwmeester (2016). A New Approach to Modelling the Impact of Disruptive Events. *Journal of Regional Science*, 56 (4), 583-595.

Rauch, A., and I. Hatak (2016). A Meta-analysis of Different HR-enhancing Practices and Performance of Small and Medium Sized Firms. *Journal of Business Venturing*, 31 (5), 485-504.

Romeijnders, W., R. Schultz, M.H. van der Vlerk, and W.K. Klein Haneveld (2016). A Convex Approximation for Two-Stage Mixed-Integer Recourse Models with a Uniform Error Bound. *SIAM Journal on Optimization*, 26 (1), 426-447.

Sayinzoga, A., E.H. Bulte, and **R. Lensink** (2016). Financial Literacy and Financial Behaviour: Experimental Evidence from Rural Rwanda. *Economic Journal*, 126 (594), 1571-1591.

Timmer, M.P., J. Veenstra, and P.J. Woltjer (2016). The Yankees of Europe? A New View on Technology and Productivity in German Manufacturing in the Early Twentieth Century. *Journal of Economic History*, 76 (3), 874-908.

Ursavas, E., and S.X. Zhu (2016). Optimal Policies for the Berth Allocation Problem under Stochastic Nature. *European Journal of Operational Research*, 255 (2), 380-387.

Vriend, T., J. Jordan, and O. Janssen (2016). Reaching the Top and Avoiding the Bottom: How Ranking Motivates Unethical Intentions and Behavior. *Organizational Behavior and Human Decision Processes*, 137 (Nov.), 142-155.

PhD theses

Bart Beemsterboer

Planning of Combined Make-to-Order and Make-to-Stock Production

Supervisors: Prof. R.H. Teunter & Dr. M. Land

Defended on October 6, 2016

Wen Chen

Intangible Capital and Economic Growth

Supervisors: Prof. M.P. Timmer & Dr. R.C. Inklaar

Defended on June 30, 2017

Rick Hölsgens

Energy Transitions in the Netherlands: Sustainability Challenges in a Historical and Comparative Perspective

Supervisors: Prof. H.J. de Jong & Dr. B.P.A. Gales

Defended on October 6, 2016

Minou Olde Keizer

Condition-Based Maintenance for Complex Systems: Coordinating Maintenance and Logistics Planning for the Process Industries.

Supervisors: Prof. R.H. Teunter & Dr. J. Veldman

Defended on December 1, 2016

Oskar Roemeling

Lean Beyond Waste: Towards the Reduction of Variability and Buffers in Healthcare

Supervisors: Prof. C.T.B. Ahaus, Prof. J. Slomp & Dr. M.J. Land

Defended on June 9, 2016

Rebecca Tumwebaze

Decision Enhancement for Poultry Farmers in East Africa

Supervisors: Prof. H.G. Sol & Prof. J. Lubega

Defended on November 3, 2016

Jacob Veenstra

Studies on Dutch Housing Corporations

Supervisors: Prof. M.A. Allers & Prof. H. de Groot

Defended on September 15, 2016

Titah Yudhistira

Online Marketing and Advertising Research: Traditional Theories Revisited

Supervisors: Prof. T.H.A. Bijmolt & Dr. K.R.E. Huizingh

Defended on October 10, 2016

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