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**CONFERENCE PAPERS**

*Daylian Cain, Organizational Behavior*  
“Low Quality Compliance: Regulating Behavior Off the Books”, Annual Conference on Managing Groups & Teams, Stanford University, May 2004.

“Honesty and Its Discontent”, The 9<sup>th</sup> Behavioral Decision Research in Management Conference, Duke University, April 2004.

*Aimee Kane, Organizational Behavior*  
“Superordinate Social Identity as a Facilitating Mechanism of Knowledge Transfer”, European Group for Organizational Studies meeting, Ljubljana, Slovenia, July 2004.

*Gerard Beenen, Klarissa Chang and Kimberly Ling, Organizational Behavior*  
(with R. Kraut; P. Resnick, U. of Michigan, and X. Wang, Pitt), “Using Social Psychology to Motivate Contributions to Online Communities”, 2004 Proceedings of the Computer Supported Cooperative Work Conference.

*Sinan Sarpta, Economics* “Specialization in Higher Education”, Pennsylvania Economic Association meeting, Pittsburgh, PA, June 2004.

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At the recent Western Finance Association Meetings in Vancouver, our program was very well represented. Jaime Cassasus, Norman Schurhoff, Cevdet Aydemir, and Aziz Lookman all had papers on the program, and Ozge Gokbayrak and Armen Hovsepian were present to help with the registration desk. The WFA is the most prestigious annual conference in finance.

**ACCEPTED PAPERS**

*Daylian Cain, Organizational Behavior*  
(with G. Loewenstein and D.A. Moore) “The Dirt on Coming Clean: The Perverse Effects of Disclosing Conflicts of Interest”, Journal of Legal Studies, forthcoming January 2005.

**AWARDS**

*Daylian Cain, Organizational Behavior*  
Doctoral fellowship from the Social Science and Humanities Research Council of Canada to study how trying to improve ethical behavior can backfire

**JOB PLACEMENTS**

*Wai Fong Boh, Information Systems*  
National University of Singapore

*Sharad Borle, Marketing*  
Rice University

*Matthew Cronin, Organizational Behavior*  
George Mason University

*Christian Jensen, Economics*  
Southern Methodist University

*Kyungdo Park, Marketing*  
Ewha Womens University

*Xin Wang, Marketing*  
Purdue University

*Seunghye Yu, Information Systems*  
Hong Kong Univ. of Science & Technology

*Luis Zuluaga, Operations Research*  
University of New Brunswick

## RECENT ALUMNI

*Roman Kapuscinski (M&OS, 1996)* has been promoted to tenured Associate Professor at the University of Michigan.

*Michel Robe (Finance, 1995)* has been promoted to tenured Associate Professor at American University.

## EVENTS

Second-year Organizational Behavior doctoral student **Gerard Beenen** and his wife Eun welcomed daughter Hannah Elizabeth on April 4, 2004, joining brother Matthew (2 ½) at home.

Third-year Economics student **Erin Boyd** will be spending the summer in Africa working with various groups, funded by the Shell Foundation Sustainable Energy Programme, to study household energy consumption patterns and the viability of ethanol-based stoves in Ethiopia, Kenya and Nigeria.

Organizational Behavior student **Aimee Kane** and Javier Pena will be married on July 17th in Donegal, PA.

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## ALUMNI PROFILES

*From time to time, the Tepper Doctoral Program Newsletter will publish a profile of an alumnus, to be researched and written by a current student. In this issue, Organizational Behavior student Daylian student writes about Max Bazerman, and Finance student Armen Hovsepian writes about Sheridan Titman.*



**Max H. Bazerman, Ph.D.,  
Organizational Behavior  
and Theory, 1979.**

<http://www.people.hbs.edu/mbazerman/>

Born August 14<sup>th</sup>, 1955, in Pittsburgh, Max Bazerman earned a Bachelor's degree in Economics from Wharton (with majors in Org. Psych. and Accounting), arriving at our O.B.T. program in the fall of 1976, soon after turning 21. "GSIA was an intense place," Max said, "When I arrived, the O.B. faculty consisted of Paul Goodman, Hans Pennings, Bob Atkin, Alice Young, and Marty Charns. But, despite the change in faculty, the intensity of the place remains the same... My most important colleague at GSIA was my co-student, David Schoorman [now faculty at Purdue], who explained what was going on for my first year." Max defended his dissertation -- which is summarized in an 8-page, 1982 *Journal of Applied Psychology* article, and was on personal control in organizations - in July of 1979, at 24 years old and only three years after beginning his Ph.D.

Max reports, "After graduating from GSIA, I applied to lots of places, seven invited me to campus, and Georgia Tech, Penn State, and U. of Texas offered me a job. U. of Texas did a great job of recruiting my then fiancée [and fellow CMU student], Marla, to their MBA program, and off we went." Recently, Max celebrated his 25<sup>th</sup> anniversary with Marla, who has a Ph.D. in Marketing from Northwestern and writes exposés of corporate America.

Max worked his way to Kellogg, where he was faculty for 15 years, an award winning teacher, and founder and director of the Kellogg Environmental Research Center. Max became known for a long, steady, productive career applying insights from behavioral decision research to strategic interaction between individuals, especially negotiation. In fact, Max was profiled by *The Organization Frontier* in 1993 as the leading management expert on the topics of negotiation and decision making. Also active in research on creating joint gains in society and on the natural environment, Max is now the Jesse Isidor Straus Professor of Business Administration at Harvard and is formally affiliated with the Kennedy School of

Government, Harvard's Psychology Department, and Harvard's Program on Negotiation.

Max once told a crowd at an Academy of Management meeting that he became a laboratory researcher after spending several days down in a coal mine because (current O.B.T. faculty) Paul Goodman sent him to collect some "field data." Jimmy Dean, fellow grad, was there and responded, "Max, you were supposed to come up after the shift was over." Max finally did come up for air and is now the author or co-author of over 150 research articles and chapters, and the author, co-author, or co-editor of eleven books.

Max is a member of several leading journals' editorial boards, and in 2002, he was named one of the top 25 authors, speakers, and teachers of management by *Executive Excellence*. In 2003, Max received a mentoring award from Harvard, having been advisor to many rising stars in O.B., including Tepper's own, Don Moore, described by Max as one of his "top students." Don Moore describes Max this way: "Max is an avid environmentalist and a dog lover. But probably more important for his career success is the fact that he is persistent, articulate, and persuasive. Max is good at identifying common ground that is useful for bringing a group into agreement or finding integrative solutions in negotiation. Sometimes it is something as simple as 'More money is better than less' that Max uses to help people realize the basic goals on which they agree."

Max on his big break: "No big break. Persistence matters a bunch in this job. I was lucky to find the topic of negotiations as it was about to take off. There is no magic in this business. In fact, the task is not that hard, but it does require real commitment. So, find topics that are fun, and stick with it to publication. Being a professor is just great - except for the grading."

I admire Max for his sharpness, renowned candor, and his willingness to provoke a heated debate. I also am inspired by his repeated success at applying research on decision-making to applied topics, such as

negotiations. And it is always appreciated when Max announces at conferences, "Everyone, students included, is welcome to join me for dinner," thus providing a concrete social option and giving students a rare chance to socialize with the stars of the field. I am excited and proud to be getting the same degree as Max once earned and I hope I can achieve half as much as he did with his degree. Yet, from Max's earlier comment, it appears that, even at the top, there is grading to do...

--Daylian Cain, 3<sup>rd</sup> year OBT student.



**Sheridan Titman, Ph.D.,  
Financial Economics,  
1981**

I believe that in any field of science at any given point in time there is a very small group of people, say 20-30, who can represent the whole community of researchers. These people understand what was done in the past, what contemporary research is groundbreaking and in what direction should that field of science evolve into the future. All current and past PhD students at our business school can take pride that one of our graduates, Dr. Sheridan Titman, achieved this in the field of Financial Economics.

First, let's review some of his accomplishments in the past. Dr. Titman obtained his Ph.D. in Financial Economics from CMU in 1981. He then taught at UCLA for over ten years, where in addition to his teaching and research activities he also held a number of administrative positions. Early in career, he won the Batterymarch fellowship, which is given to the most promising assistant professors of finance. Between 1992 and 1994 Dr. Titman was one of the founding professors of the School of Business and Management at the Hong Kong University of

Science and Technology where he was the vice chairman of the faculty and the chairman of the faculty appointments committee. From 1994 to 1997 he served as the John J. Collins, S.J. Chair in Finance at Boston College. Currently, he holds the McAllister Centennial Chair in Financial Services at the University of Texas at Austin. He has also served in a variety of editorial and professional service roles.

Simple analysis of his research activity shows that he is:

- (1) productive: As of now he is the author of 47 articles published mostly in top professional journals (six of which are reprinted in other publications), 3 chapters in books and numerous comments and editorials published in the popular media on a wide range of economic, finance and business-related topics. He also coauthored a leading advanced corporate finance textbook entitled "Financial Markets and Corporate Strategy".
- (2) versatile: he does not write tons on papers on the same topic and keeps doing research in new areas;
- (3) collaborative: most of his papers are coauthored with his colleagues, students, ex-students or friends in other schools;
- (4) innovative: some of his publications are truly ground-breaking.

With respect to the latter point, I can, for example, mention his paper on momentum strategies, which is one of the most cited financial economics papers in the last decade. The basic finding of the paper is the following: if a fund manager ranks financial assets in his portfolio from best performers down to worst performers for the last month, then he can earn in average about one percentage excess rate of return on a portfolio formed by buying winners and selling losers and keeping it for one month. The idea of the paper is simple yet it had significant

implications on financial market efficiency and professional money management.

In 1997 Dr. Titman won the prestigious Smith Breeden prize for the best paper published in the Journal of Finance. This paper suggests there is no relationship between a stocks risk, as typically measured, and its expected rate of return. This finding opposes a long-standing tenet of both financial theory and market practice that expected returns are higher when risk is higher. Historically, research has found that stocks with certain characteristics perform better than others. Researchers have asked questions about why these stocks perform so well and have often concluded that good performance is a reward for risk, measured by how the stocks contribute to the volatility of typical portfolios that individuals and institutions hold. The contribution of the paper was that it is the specific characteristics of a stock, rather than its level of risk, determine how well it will perform.

There are, however, research qualities that are difficult to measure or quantify. A way to understand how his CMU education contributed to his professional success is to ask people who worked with him. A one-sentence statement to summarize many examples that I was given is that "He is a natural-born researcher". People that know him first emphasized that he is a very intellectually curious person. He likes discussions on various topics like economics, politics, sports, arts, sociology, psychology, evolution, etc. When the topic is financial economics there is real potential that the discussion can lead to a paper, but it is very interesting to see him applying the same process and style to almost anything else. He is interested in anything that requires creative thinking and tries to formulate a problem as if the task is to write a paper on the topic. He is also a very open-minded researcher. He does not take any theory or paradigm as if it is written on the stone, and tries to find useful information in conflicting theories. A good

example would be behavioral finance: although he doesn't have much research in behavioral finance, he tends to include behavioral elements in his thinking about various finance problems.

Finally, an even better way to learn about the impact of CMU education on him is to ask himself. I approached him recently during a conference and here are some of his answers:

**Why was Tepper successful?**

“I think GSIA was originally successful because it provided the first environment for well trained economists to work on applied business problems. When I was there, it was also a very young place and very energetic.”

**What are some of your attributes that are not Tepper-like?**

“How do I differ from typical graduates and faculty? At least when I was a student there was a very strong emphasis on general equilibrium analysis -- I like to think in terms of partial equilibrium models -- and I take the models somewhat less seriously.”

**What are the most important things you learned at Tepper?**

“My experience at GSIA was obviously very valuable and it clearly taught me to think in a very structured way -- the main skill I learned was how to take a relatively fuzzy idea and to translate the idea into a coherent model, which could in turn be used to sharpen one's intuition.”

*--Armen Hovsepian, 5<sup>th</sup> year FE student.*

**F.Y.I.**

You may submit information for future “Doctoral Program Newsletters” to Lawrence Rapp ([lrapp@andrew.cmu.edu](mailto:lrapp@andrew.cmu.edu)).