

IMR Doctoral Students Conference 2010

November 19--20, 2010

Indian Institute of Management Bangalore

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About the IMR Doctoral Conference 2010

In continuation of its commitment to the promotion of research and ideas in management, IIMB Management Review (IMR) is organizing the second doctoral students' conference on 19th & 20th November, 2010, at IIMB. The IMR Doctoral Students Conference (IMRDC) 2010 is part of an annual series of doctoral students' conferences, showcasing the best research done on contemporary issues concerning Indian business.

IMRDC 2010 aims to recognize quality research done in management in India by doctoral students. With this end it invites completed papers from doctoral students who would be interested in showcasing their research. The conference would provide doctoral students an opportunity to get valuable feedback on their work as well as gain recognition among management academicians in India.

A **faculty committee** will be appointed to review and provide feedback on the papers, and to finally select a maximum of twelve papers from among the submissions for presentation and discussion at the conference. Among these twelve papers, three best papers will be selected and recognised with the following awards (in alphabetical order): Dipak C. Jain Award, Pradip N. Khandwalla Award and Marti G. Subrahmanyam Award. The academicians after whom the prizes are named will play an active role in the final selection of the prize winning papers.

Award Names -- Profiles

Dipak C. Jain has been the Dean of the Kellogg School of Management at Northwestern University, Illinois, USA since 2001. He is the Sandy and Morton Goldman Professor in Entrepreneurial Studies and a professor of Marketing at the Kellogg School. His areas of research include market segmentation and competitive market structure analysis, cross-cultural issues in global product diffusion and forecasting models. He serves as a member of the board of the directors of several corporations, including the Hartmarx Corporation and Deere & Company incorporated in the USA and Reliance Industries Limited.

Pradip N. Khandwalla had served as the Director of the Indian Institute of Management, Ahmedabad, India and the L&T Chair Professor of Organisational Behaviour. His areas of research include organisation research and development, turnaround management and corporate greatness. A recipient of the Ford Foundation Doctor Fellowship, he taught at various prestigious institutions including Carnegie-Mellon University, the University of Pittsburgh and McGill University. Currently an independent management consultant, he serves on the boards of several corporations, including Bank of Baroda, Gujarat Gas and Micro Inks.

Marti G. Subrahmanyam is the Charles E. Merrill Professor of Finance, Economics and International Business at the Leonard N Stern School of Business at New York University, New York, USA. His areas of research include valuation of corporate securities, options & futures markets, Indian financial markets and market microstructure and liquidity. An alumnus of IIT Madras, IIM Ahmedabad and MIT, he serves as a member of the board of the directors of several corporations, including Infosys Technologies Ltd, ICICI bank Ltd, ICICI Prudential Life Insurance Company Ltd and Nomura Asset Management (USA) Inc.

Shortlisted Papers for IMRDC 2010

The following twelve papers were shortlisted by the Faculty Committee for presentation at the Conference. **Each presentation has been allotted 30 minutes, with students making a 20 minute presentation, followed by 10 minutes of discussion.**

Title of Paper	Authors	Affiliation
Regional Income Disparities in India and Test for Convergence--1980 to 2006	Astha Agrawalla, Student Prem Pangotra, Faculty	IIMA
Asset Pricing with Spirit of Capitalism in a Rare Disaster Framework	Vinay Asthana, Student	IIML
Servicescape Aesthetics: Exploring the Role of Design	Deepak S Kumar, Student	IIMK
Configuring Customer-based Brand Equity by Brand Association, Personality and Image.	Pallabi Mishra, Student Biplab Dutta, Faculty	IITK
Validating the Hierarchical Model for Service Quality in Higher Education through Structural Equation Modeling	Rajani Jain, Student Gautam Sinha, Faculty	IITK
Counterfeiting in Supply Chains: An Evaluation of Supply Chain Contracts	Naveen Sundareshan, Student	IIMB
A Multilevel Approach to Business Groups during Institutional Transitions in Emerging Market Economies	Apalak Khatua, Student	IIMC
Determinants of mode of Technology Acquisition: An Integrated framework	Ashwin A S, Student	IIMB
A Polyhedral Approach for solving two facility network design problem	Faiz Hamid, Student Yogesh K. Agarwal, Faculty	IIML
Test of venture capital value addition hypothesis - Comparative financial and stock performance analysis of venture capital backed and non venture capital backed IPO firms	Ragupathy M B, Student Thillai Rajan, Faculty	IITM
Do Indian Acquirers Create Shareholder Value? The Effect of Affiliation to a Family Business Group	Bipin Kumar Dixit, Student	IIMB
Workplace Identity: Explorations in Structure and Dynamics	Manish Kumar, Student Shailendra Singh, Faculty	IIML

Abstracts of Shortlisted Papers

Regional Income Disparities in India and Test for Convergence--1980 to 2006

We examine trends in regional disparities in India over a period of 26 years (1980 to 2006), employing the panel data estimation method based on the neo-classical framework. The analysis reveals that Indian state incomes have experienced convergence. The speed of convergence has been faster during the period 1992-2006, when the Indian economy embarked on detailed structural reforms. Incomes of the special category states (10) have also shown convergence, even at a higher rate. Non-special category states (15) have shown divergence in incomes.

Asset Pricing with Spirit of Capitalism in a Rare Disaster Framework

The equity premium puzzle continues to exist despite diverse approaches employed from different perspectives to solve it. This paper seeks to explain the equity premium puzzle and other related asset pricing puzzles by extending the rare disaster framework developed by Reitz (1988), Barro (2006, 2009), and Barro & Ursua (2008). Unlike other models in the existing literature, the proposed model incorporates suitable proxies for fear and greed, which are believed to play very significant roles in the dynamics of asset prices. The proposed model includes fear of rare disasters as a proxy for fear; and direct preference for wealth—that is, the spirit of capitalism, which has been used for explaining asset pricing puzzles by Bakshi & Chen (1996), and Smith (2001)—as a proxy for greed. It is possible to develop two variants of the model: the basic model which is based on Von Neumann-Morgenstern (VNM) state-separable and time-additive iso elastic expected utility; and its variant which employs recursive preferences proposed by Epstein & Zin (1989, 1991), and Weil (1990). This paper shows the basic version of the model and its calibration using Barro's data for a sample of 35 countries. For this limited sample, the model is capable of generating the required equity premium with very reasonable values of the premium. This is an ongoing research, and it remains to be seen whether the advanced version of the model is capable of addressing Constantinides'(2008) criticism of the explanation of the equity premium puzzle offered by Barro & Ursua (2008).

Servicescape Aesthetics: Exploring the Role of Design

Owing to the intangibility of services, customers generally rely on environmental cues to evaluate the quality of services. There remains a surprising lack of empirical research addressing the aesthetics of service environments (servicescapes) and their role in consumption settings. The paper provides a review and critique of the existing models in servicescapes to address the visual aesthetic aspects. A theoretical framework, which is widely used in landscape studies, is taken from environmental psychology and a model is proposed. This model explains the preference of customers for the visual aesthetics of servicescapes. Also, the moderating roles of consumption motives are also included in the model.

Configuring Customer-based Brand Equity by Brand Association, Personality and Image

Customer based brand equity (CBBE) has always played a pivotal role in maintaining customer relationship for a company. This research aims at studying the causal effect of the determinants brand association, brand personality and brand image on CBBE. The model developed is tested separately on a gender basis from the sample collected. The results establish that brand association is the strongest determinant of CBBE. The research also showed that the effect of brand personality on brand image was more for females than for males.

Validating the Hierarchical Model for Service Quality in Higher Education through Structural Equation Modelling

The present study tries to develop and empirically validate a model for service quality in higher education. The proposed model is based on a current conceptualisation of service quality, which suggests that service quality is a multidimensional and hierarchical construct. In the proposed model, service quality consists of four primary dimensions which are defined by several corresponding sub dimensions: (a) program quality: curriculum, academic processes, input quality, academic resources (b) quality of life: non academic processes, support facilities, campus, interaction quality (c) outcome quality (d) reputation. The authors test the conceptual model using structural equation analyses and the findings support the conceptualisation. The research has implications for institutions seeking to improve the quality of their services.

Counterfeiting in Supply Chains: An Evaluation of Supply Chain Contracts

Counterfeiting is a widespread phenomenon in many industries ranging from pharmaceutical, automobile/aerospace/electronic components to software products. Authorised retailers tend to sell counterfeit goods along with original products and order smaller quantities from manufacturers than actual market demand. In this paper we analyse the strategy of the manufacturer in terms of supply chain contract design to deal with counterfeiting retailers. In the first model we examine the role of a counterfeit cost structure in the pricing decision of a manufacturer in a wholesale price contract setting. In the second model we try to understand the optimal level of monitoring that a manufacturer should invest in to deter counterfeiting.

A Multilevel Approach to Business Groups during Institutional Transitions in Emerging Market Economies

Contrary to the literature that anticipated the gradual disappearance of business groups in developing economies with the growth of well-functioning capital markets, some business groups have successfully used market-oriented institutional reforms to accelerate their growth. We employed a multilevel approach to explore why some business groups created value for affiliate firms during institutional transitions while others failed to do so. An 18-year longitudinal study of 1787 business group affiliated firms from 82 Indian business groups reveals the heterogeneity across business groups. We argue that business-portfolio diversification and intra-group cross investments would not have any negative impact on affiliated firm performances and empirical evidence supports this. We found that larger and older business groups are resilient to institutional shocks and affiliation to these groups is beneficial during institutional transitions.

Determinants of Mode of Technology Acquisition: An Integrated framework

It is widely recognised in the technology strategy literature that firms cannot develop all the required technology by them. Other than in-house R&D, they can acquire technology through other modes like R&D joint ventures, R&D contracting, licensing and mergers and acquisitions. In this paper, we propose a framework, using transaction cost theory and the concept of technology familiarity, on how firms decide on the optimum mode for acquiring technology. We also extend this framework to show how this optimal mode changes as firms gain experience with the technology.

A Polyhedral Approach for Solving Two Facility Network Design Problem

The paper studies the problem of designing telecommunication networks using transmission facilities of two different capacities. The communication demands are met by installing a mix of facilities of both capacities at overall minimum cost. Applying a set of theorems we enumerate all the extreme points of the underlying polyhedron of the 3-node sub problem. We introduce a new approach for computing the facets of the 3-node problem based on polarity theory. Thereafter we translate the 3-partition based

facets to the facets of the original problem. The computational experience shows the effectiveness of our approach.

Test of Venture Capital Value Addition Hypothesis -- Comparative Financial and Stock Performance Analysis of Venture Capital backed and Non Venture Capital backed IPO Firms

Venture capital (VC) involvement provides superior strategic, operational and financial value to entrepreneurial firms. The existing literature proves that VC backed firms going in for an initial public offering (IPO) produce better operating and stock performance, post-IPO. Since VC involvement starts from the pre-IPO stage, we studied the pre-IPO operating performance and the post-IPO operating and stock performance of VC-IPOs and compared their performance with groups of non VC-IPOs to see whether VC had created additional value. While the results have proved the long term value creation hypothesis, the results with regard to issue time performance of IPO firms are contradictory. The initial results on financial performance too signal better operating performance of VC-IPOs.

Do Indian Acquirers Create Shareholder Value? The Effect of Affiliation on a Family Business Group

This paper empirically examines whether Indian acquirers create value for their shareholders around the time of announcement and the effect of family business groups in value creation for the shareholders of the acquirers. We measure the value creation for the shareholders of the acquirers by the market reaction surrounding the announcement of the date of acquisition. The literature suggests that family business group firms in India are different from firms which are not part of any family business group. Keeping in mind these differences, we investigate the mergers and acquisitions (M&A) phenomenon between the family business group acquirers and other acquirers. More specifically we investigate the effect of family business groups in value creation/destruction by the acquirers. Using SDC Platinum M&A data for the period of 1994 to 2009, we find that Indian acquirers create value for their shareholders at the time of announcement as opposed to the findings from the developed markets. Further, Indian acquirers affiliated to a family business group create less shareholder value as compared to non-group Indian acquirers although business group acquirers create positive shareholder value.

Workplace Identity: Explorations in Structure and Dynamics

This theoretical paper looks at individual identity in the organisational context. Contemporary organisational studies on the structure of identity dominantly draw upon the social identity theory and the self-categorisation theory. There is a marked absence of the psychological perspective in these studies. This paper attempts to bring in the 'needs' perspective from psychology to workplace identity research. The main objective is to examine the structure of workplace identity which consists of 'individual needs' and 'identification with the organisation'. As identification is characterised by a feeling of being an extension of the organisation, this study hypothesises that members high in identification would be more than willing to indulge in supporting activities beyond formal organisational requirements. Additionally, the moderating role of organisational characteristics has been put forward as a 'dynamic' aspect of the process of workplace identity. One's 'gratitude' towards the organisation is expected to be influenced by the perception of the exchange characteristics of support, justice, quality of leader-member exchange and organisational control practices reflected through organisational structure.

Invitation to Delegates

We invite Deans/ Heads of departments, faculty and doctoral level students from management institutes to attend IMRDC 2010, on Friday and Saturday, November 19th and 20th.

This will give both faculty and doctoral students an opportunity to interact with the community of leading-edge researchers and academics and keep abreast of the new ideas and trends in the field. The conference would put Deans/ Heads of departments in contact with the emerging thinkers in the area of business whose intellectual abilities can be leveraged suitably. The programme has been structured so as to allow ample time for formal presentation and discussion and informal interaction among those participating.

Following are the details of the programme and the registration procedure:

Day 1: 19th Nov, 2010

8.30 am: Registration
8.45 am: Inauguration
9:00-10.30 am: Presentation of papers
10:30- 11:00am: Tea
11:00-12 noon: Presentation of papers
1:00 -2:00 pm: Lunch
2.00 – 3:00 pm: Presentation of papers
3.00 – 3:30 pm: Tea
3:30-5:30 pm: Publishing in International Journals-A Guide to Doctoral Students by IIMB Faculty;
Interaction with Industry
6:30 – 8:00 pm: Dinner

Day 2: 20th Nov, 2010

9:00-10.30 am: Presentation of papers
10.30- 11:00am: Tea
11:00-12 noon/12:30 pm: Industry Session
12:30-1:00 pm: Valedictory and Awards Announcement
1:00-2:00 pm: Concluding Lunch

Registration Details

Registration Fees: Full time Doctoral Students: Rs 1000/- ; Faculty: Rs 2000/-

The registration fees will include lunch, dinner and tea on the 19th and lunch on the 20th. Delegates are advised to register at the earliest for the Conference, though we will also register delegates on the morning of the Conference. Delegates may use the Registration Form for the purpose of registration. For outstation delegates, the IMRDC Secretariat will help you in making lodging arrangements in IIMB depending on the availability of accommodation. Delegates may contact the IMRDC Secretariat at imrc@iimb.ernet.in for information about all the arrangements.

Contact Us:

For any enquiries please contact the IMRDC secretariat at the address below. All email queries should bear the subject line: IMRDC 2010

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