YANZHE (MURRAY) LEI
Assistant Professor of Management Analytics

Education: PhD in Technology and Operations from Ross School of Business at the University of Michigan; Bachelor of Engineering, Department of Automation, from Tsinghua University in China.

Path to Smith: I was born in China and grew up in Shijiazhuang, the capital and largest city of Hebei Province in North China. I came to Smith last September after receiving my PhD. One thing that attracted me to Smith is the strong research atmosphere here. I feel I have many opportunities to collaborate with my colleagues.

What I’m working on: I study and design prescriptive analytics solutions in dynamic business environments. I’m especially interested in on-demand platforms, such as Uber, and online retail environments such as Amazon. The technology these kinds of companies have means that they can make many decisions in real time that affect many aspects of their operations. Take dynamic pricing and order fulfillment for example. Decisions in both affect the balance of supply and demand. But in many companies, pricing and fulfillment are handled separately. However, since these functions are related, what’s the value of making decisions about them jointly? That was the subject of one of my studies. We looked at e-commerce environments and found that making pricing and order fulfillment decisions jointly leads to higher profits.

Little known facts: I’m a fan of basketball, snooker and movies. One of my favourite basketball players was Chris Webber who played for the Sacramento Kings. He’s a University of Michigan alumni, too. Now that I’m in Canada, I’m rooting for the Toronto Raptors.
RESEARCH EXCELLENCE AWARDS

Three faculty members and a PhD student are recognized for their outstanding work.

Ryan Riordan, Ning Zhang and Paul Calluzzo are recipients of the Smith School of Business Research Excellence Awards for 2018. The three professors were recognized at a reception in November in Goodes Hall.

Riordan received the Research Excellence Award, Calluzzo and Zhang each the New Researcher Achievement Award. Research grants were given with the awards. The three were chosen by a committee of Smith faculty that assesses the achievements of researchers. Committee members this year were Yuri Levin, Jean-Baptiste Litrico and Veikko Thiele.

The research awards are announced every fall. They acknowledge the outstanding research done by Smith faculty.

A student, Hanna Liu, was also recognized. She received the award for PhD Student Research Excellence.

This year’s winners cover a wide area of study, from investing to corporate governance:

Ryan Riordan
Ryan Riordan studies the impact of technology on the financial sector. As an example, he once examined how automated bidders affect the behaviour of human bidders on electronic financial markets and online auctions such as eBay.

His latest work, “Price Discovery Without Trading”, delves into the world of high-frequency traders. The research, he said, "shows how financial markets work and, more specifically, who is making them work.” It will be published in the Journal of Finance.

Riordan’s interest in technology goes back to his days as a trader, writing his own programs to automate parts of his job. “I like understanding how technology works, so for me it was a natural fit to study finance and technology," he says.

“To get the data, to see the results, after sometimes years of work, that’s the adrenaline kick.”
— Ryan Riordan

Below, from left: Paul Calluzzo, Hanna Liu, Ryan Riordan and Ning Zhang
At Smith, Riordan is an associate professor and Distinguished Faculty Fellow of Finance. He joined the school in 2014 from the University of Ontario Institute of Technology.

One thing Riordan says he especially enjoys in research is asking “the big question”, then finding the answer, no matter how long that takes. “To get the data, to see the results, after sometimes years of work, that’s the adrenaline kick,” he says.

Paul Calluzzo

Paul Calluzzo also came to Smith in 2014, after completing his PhD in finance at Rutgers University. His studies take him into the deepest corners of Wall Street, from corporate governance and proxy voting, to mutual-fund performance and institutional investing.

One of his papers, “Director Connections in the Mutual Fund Industry”, examined what influence corporate executives who sit on mutual-fund boards have on the fund’s investment decisions. His work showed that, indeed, such funds tend to invest more profitability in the executive’s own firm.

“What excites me most about research is uncovering something new and original, and the process of having an untested idea in my head and seeing if it bears out in the real world or not,” says Calluzzo, assistant professor and Distinguished Faculty Fellow of Finance.

His research looks at the role of information and incentives in financial markets and in firm investment decisions.

A study he co-authored last year, “Bowling Alone, Bowling Together: Is Social Capital Priced in Bank Loans?”, examined whether the social capital enjoyed by firms is priced into their bank loans.

In his acceptance speech for his award, Zhang acknowledged the tremendous support from Smith. He also discussed the “passion” and “perseverance” shared by those who do research. “We learn a lot from the day-to-day obstacles that we encounter.”

He added that "working in accounting research is a humbling experience. No matter what studies you conduct or accolades you accumulate, there are always others who are better, smarter and faster than you. So going to conferences, reading papers, talking to my colleagues, all these produce constant reminders of how much further I have to go."

Ning Zhang

Ning Zhang, assistant professor and the Commerce ’83 Fellow of Accounting, came to Smith in 2013. Prior, he was at Duke University, where he earned a PhD in business administration.

Future of Business Research

The following sessions took place:

WHEN: Dec. 11, 2018
WHO: Tina Dacin
TOPIC: Saving Craft, Saving Place — Stories of Tradition and Community Resilience

WHEN: Jan. 23, 2019
WHO: Jean-Baptiste Litrico
TOPIC: Local Meanings and Global Sustainability Practices

WHEN: Feb. 21, 2019
WHO: Jue Wang
TOPIC: Dynamic Pricing with Optimal Demand Learning

WHEN: March 21, 2019
WHO: Wenjue Knutsen
TOPIC: Issues with applying institutional logics to organizational hybridity: Developing the concepts of transactional and transformational organizations

Nominations for the PhD Student Research Excellence Award are adjudicated by the Graduate Committee for Business. A prize of $1,500 is included with the award.
**SSHRC AWARDS**

**PI:** MICHAEL SARTOR  
**GRANT DETAILS:** SSHRC Insight Development Grant, two years  
**TOPIC:** Medicine That Works and Tastes Good Also: The Anti-Corruption Programs of Multinational Corporations. While Canada has an excellent reputation for controlling corruption at home, the record of corrupt behaviour by Canadian multinational corporations (MNCs) abroad is a growing concern. Researchers have prescribed solutions such as corporate anti-corruption programs and theorized that increasing the costs associated with corrupt transactions should reduce their prevalence. However, assessments with respect to the efficacy of these strategies have been mixed. This research is being developed to contribute theoretical and empirical insights that could bolster the efforts of scholars, business executives and government policy-makers to curb corruption by Canadian MNCs in foreign markets.  
**APPROACH:** Quantitative analysis and case studies

**PI:** ABHIRUP CHAKRABARTI  
**GRANT DETAILS:** SSHRC Insight Development Grant, two years  
**TOPIC:** Why Do Firms Violate Environmental Laws? Do scientific advances and environmental legislation transition naturally into environmentally sustainable practices in firms? Decades of research suggest that they do not and that we do not fully understand why. Environmentally sustainable practices have important strategic value for firms. Yet, firms may not be able to institutionalize environmental norms within their organizations. They may fail to implement necessary changes in governance and structure. Even when they do, their behaviour may not reflect their environmental commitments. The same firm may act environmentally conscious at one time and reckless at another and may even disregard reputation costs. Data suggests that it is surprisingly common to find firms violating environmental laws, even in several developed countries. In turn, pollution has emerged as the leading contributor to the global disease burden.  
**APPROACH:** Site visits to polluted locations in India, as well as tracking narratives that policy makers, regulators and business managers use to interpret their environments.
PI: PIERRE CHAIGNEAU

GRANT DETAILS: SSHRC Institutional Grant, two years

TOPIC: Reverse Convertible Bonds as Bank Liabilities. The financial system is still vulnerable to banking crises similar to those that occurred in 2008. Contingent capital has been proposed as a solution to contain these crises. It takes the form of contingent convertible bonds that automatically convert to equity following a pre-specified event or trigger. While most contingent convertible bonds issued by banks since the 2008 financial crisis have accounting triggers, they are widely regarded as inadequate. This research project considers a similar type of instrument, reverse convertible bonds, that would focus on potential liquidity shortages with a view to avoiding or at least mitigating future crises.

APPROACH: Theoretical modeling and calibration.

PI: SHAMEL ADDAS

GRANT DETAILS: SSHRC Institutional Grant, two years

TOPIC: Communication Technology Interruptions and their Effects on Impression Formation and Change in Virtual Teams. Interruptions through communication technologies (CT) — such as email, text messages, instant messaging, and social media (herein CT interruptions) — have become a pervasive phenomenon in workplace settings. Research has been conducted to examine the impacts of CT interruptions on individual and group outcomes, and particularly, how message receivers feel about, interpret, and perform their interrupting or interrupted tasks or their work in general. Our research extends the literature by focusing on the effects of CT interruptions on the impressions that the message receiver forms of the message sender and the stability of such impressions over time. Our research seeks to understand the positive and negative effects of CT interruptions on impression formation in virtual team contexts, which is a precursor for improving team functioning and success.

APPROACH: Large-scale literature review and qualitative research.

PI: WENJUE KNUTSEN

GRANT DETAILS: SSHRC Institutional Grant, one year

TOPIC: Pursing Social Goods with For-Profit Activities: Values’s Role in Social Enterprises. Our society is facing some difficult dilemmas in providing quality public services and in pursuing pro-social causes, such as the growing demand for services in the face of shrinking budgets, the service provider’s desire for financial autonomy and the increasing need for control from funders and donors, and the growing desire to pursue social goods while struggling for organizational survival. The emergence of social enterprise is believed to be able to alleviate some of these tensions, because the major raison d’être of social enterprises is to pursue social causes while making profits simultaneously within one organization. Some argue that social enterprise is not new because many existing non-profit organizations already operate programs in business-like manner. Others argue that social enterprise is an “example” of a new type of organization called hybrid organizations. This project explores the emerging field of hybrid organizations including definition clarity, the mutual transformation of hybrid polarities, and a longitudinal view of hybrid sustainability.

APPROACH: Qualitative and quantitative research.

PI: TRACY JENKIN AND ANTON OVCHINNIKOV

GRANT DETAILS: 1. SSHRC Institutional Grant, two years 2. Monieson Grant, two years

TOPIC: Humans + Machines: Sensegiving and Sensemaking with Artificial Intelligence. Artificial Intelligence (AI), a class of technologies that strive to behave and “think” like humans, has made significant progress in the last decade thanks to the availability of vast quantities and types of data (also referred to as Big Data), as well as improvements in machine learning algorithms and computer processing power. With these advancements and potential benefits have come concerns that AI may displace a large portion of skilled workers — such as doctors, lawyers, bankers, and educators. Although such a displacement may eventually happen, for the foreseeable future, it is more likely that humans will work interactively with machines. Our goal is to develop insights into how best to design this collaborative working relationship between humans and AI. To do so, our research objectives are to understand how humans make sense of the output of AI tools, how

SSHRC AWARDS AND MONIESON GRANTS
these tools can best support this, and what factors influence the human-AI collaborative relationship. The findings of this research will have important implications for the future of work.

**APPRAOCH:** Extensive literature review, followed by an exploratory field study and field experiment.

**MONIESON GRANTS**

**PI:** MURRAY LEI AND JUE WANG

**CO-AUTHOR:** ROOZBEH YOUSEFI

**GRANT DETAILS:** Monieson Grant, two years

**TOPIC:** Optimizing Smart and Connected Products by Machine Learning and Artificial Intelligence. The Internet of Things (IoT), which consists of a network of smart and connected products, is revolutionizing many industries. We plan to study two particular operational problems faced by smart products in the era of Big Data through two projects. In the first project (data-driven Bayesian quickest diagnosis), we will focus on the optimal diagnosis and intervention policy for failure states when the product is operating abnormally and where parameter uncertainty in the sequential diagnosis schemes is explicitly accounted for. In the second project (online product optimization with imperfect streaming data), we will focus on smart products whose configuration can be fine-tuned as customers are using it. In both projects, we will place our primary focus on the structural results of the optimal policy to gain managerial insights into the optimal exploration and exploitation trade-off.

**APPROACH:** Bayes-adaptive approach to jointly identify the model parameters and the hidden system state.

**ADDITIONAL EXTERNAL AWARDS**

**PI:** BERTRAND MALSCH

**CO-AUTHORS:** ORIANE COUCHOUX (Queen’s University), LAURENCE DAOUST (HEC Montréal)

**GRANT DETAILS:** CPA Canada-CAAA Special Topics Research Grant Program, through December 31, 2020

**TOPIC:** Jumping on the Starts-Ups Bandwagon: A Field Study on the Role of Accountants and Financial Information in Tech Start-ups in Canada. Over the past few years, Canada has positioned itself as a leading country for venture capital and start-up activity. This billion-dollar industry spans different sectors, with software and technology companies accounting for more than 31 per cent of total investments in Canada. Despite the considerable attention that has been given to start-ups in the media and the significant investment made by the Canadian government to support their development, accounting research on the topic remains scarce. Our study thus aims to answer the following research questions: 1) How are accounting reports and financial information produced and used by tech start-ups in Canada? 2) At what point in time and how are professional accountants involved in Canadian tech start-ups? For what purposes? 3) What value do tech start-ups entrepreneurs see in financial information and accounting tools? 4) What is the relationship between these entrepreneurs and accountants? To answer our research questions, we will mainly rely on semi-structured interviews with actors involved in the Canadian start-up field.

**QUALITATIVE STUDY:** semi-structured interviews with actors involved in the Canadian start-up field.

**CPA Ontario Centre for Governance & Accountability**

Launched March 20, 2007, the CPA Ontario Centre for Governance & Accountability at Smith School of Business is an initiative funded by Chartered Professional Accountants of Ontario. The goal is to improve corporate governance in Canada through a variety of research and teaching programs. The Centre is the first in Canada to have as its primary mission, research in the area of governance.

**Alternative Accounts Conference 2019**

The Alternative Accounts Conference brings together accounting faculty and doctoral students from North America and beyond who are interested in alternative accounting research. The conference especially aims to increase accounting researchers awareness of the diverse areas of research belonging to the “alternative” paradigm of accounting research.

The 2019 conference will be held in Kingston, Ont., May 10-11, 2019, at Smith School of Business, Queen’s University. We are interested in receiving critical and interpretive papers at a relatively advanced stage of completion or already submitted to journals but not yet accepted for publication.

The Emerging Scholars Colloquium precedes the main conference on May 9, 2019. The Colloquium aims to provide doctoral students and emerging researchers with the opportunity to discuss their work with other doctoral students and established scholars in the field. smith.queensu.ca/centres/centre-for-governance/index.php
Ryan Riordan

Bank of Canada gives award to Smith professor

Smith School of Business associate professor Ryan Riordan is receiving this year’s Bank of Canada Governor’s Award.

The Governor’s Award is a research grant that goes to academics who study areas that the Bank of Canada deems important. The grant is worth up to $30,000 a year over two years.

Riordan, who is also Distinguished Professor of Finance at Smith, said he is delighted to receive the award. While central banks tend to focus on the economy as a whole, his studies delve into the behaviour of individual traders, investors, lenders, borrowers and firms. “So this award is a confirmation that our research is important to the overall economy,” he said.

Advancing research

Riordan intends to use the grant to further his research in two areas: the use and misuse of technologies in banking and financial markets; and climate change.

On climate change, Riordan has teamed up with colleagues from the University of Augsburg in Germany to study how financial markets have responded to the transition to a green economy. They’ve developed a methodology to measure the carbon risk of companies and countries.

Among their findings to date: the valuation of banks and other financial firms are strongly related to the carbon risk of the firms they finance. And European countries such as Italy, Spain and Portugal, as well as Japan, have lower carbon risk than most countries. Canada, South Africa and Brazil have the highest carbon risk.

The Governor’s Award is part of the Bank of Canada’s Fellowship Program. Lawrence Schembri, deputy governor at the bank, says the program aims to “foster collaboration between our researchers and outstanding academics who are advancing knowledge in fields that support the Bank of Canada’s core functions.”

Dr. Alice Eagly

Visits Smith

Pioneering social psychologist gives lecture on women in leadership

Dr. Alice Eagly, Professor of Psychology and Management & Organizations at Northwestern University, visited Smith School of Business in October 2018 as the Douglas G. Cunningham Visitor.

Dr. Eagly’s visit, organized by Dr. Christopher Miners, spanned a two-day period during which she led a research seminar, delivered a public lecture, and engaged faculty, staff, and students from a variety of disciplines and faculties, including Organizational Behavior, Accounting, Strategy, Marketing, Psychology and Gender Studies.

Ascending the corporate ladder

A social psychologist who is a pioneer in her field, Dr. Eagly has published widely on the psychology of gender, leadership, and stereotypes, among other subjects. Her public lecture, entitled “Women as Leaders: Do They Make a Difference,” explored some of the challenges that can keep women from ascending the corporate ladder, including the “gender-leadership cultural mismatch,” which sees a disconnect between traditionally feminine traits and the more masculine traits — such as competitiveness and dominance — typically associated with leadership.

Dr. Eagly explained that such a disconnect can make women who do not “match” the job more susceptible to prejudice when they do land at the top. She said women leaders must contend with the “double bind,” wherein they can face backlash for displaying a lot of confidence or ambition, just as they can face criticism for being very kind and sympathetic.

Where women lead

Dr. Eagly pointed out that women are currently more likely to be in the top jobs in education and within the non-profit sector, where 45 per cent of women are CEOs, rather than in the corporate world. “Women are interested in being leaders in organizations where they can act for the public good, and men are more interested in being leaders in organizations in which they can create profit for stakeholders,” she said, summarizing recent research. “So, it’s not that there aren’t women leaders, it’s that they are placed differently.”

The Douglas G. Cunningham Visitorship Endowment Fund enables Queen’s University to bring distinguished speakers from the field of applied sciences to campus on an annual basis, with an emphasis on law, business and industrial relations.
Faculty News, Publications, Conferences, Articles, Books.

Faculty News

Yolande Chan: Appointed Senior Editor, MIS Quarterly Executive, 2018.
Lynnette Purda and Laurence Ashworth: Financial Planning Grant Award - Identifying and Removing the Psychological and Information Barriers to Online Investment Advice, 2018.
Veikko Thiele: Member, Insight Grants Selection Committee (Economics), Social Sciences and Humanities Research Council of Canada, 2019.

Publications


Chaigneau, P. European Finance Association (discussant), Executive Compensation Conference (Erasmus University Rotterdam, presenter & discussant), HEC/McGill Spring Finance Workshop, Queen’s University (econ), Université Paris Dauphine, University of Waterloo, 2018.


Chan, Y. “Succeeding as a Woman at Queen’s: Lessons Learned,” Ban Righ Centre Female Faculty Mentoring Lunch, Queen’s University, Kingston, Ontario, November 2018.


Dacin, T. “We are all in the same boat, or are we not?” Contestation and recomposition during the simultaneous maintenance and change of gondola-making in Venice.” Paper presented at the University of Alberta Institutions Conference. (Refereed), 2018.


Dudley, E. “Corporate hedging during the financial crisis,” Financial Management Association annual meeting (FMA), San Diego, USA. (Refereed, presenter), 2018.


Dudley, E. “Corporate hedging during the financial crisis,” Canadian Economics Association annual meeting (CEA), Montreal, QC. (Refereed, presenter), 2018.


Ivus, O. Invited Presentations - National Institute of Economic and Social Research, UK; SSHRC Knowledge Synthesis Grant, Workshop, UK; The CPIP Biopharmaceutical Roundtable, George Mason University; The Nordic Institute for Studies in Innovation, Research and Education, Norway, 2018.

Ivus, O. Research Visit - The University of Hong Kong, Faculty of Business and Economics, 2019.


Luo, Y. “The Effect of External Inspection on Auditor Judgement and Decision Making.” Thesis proposal. Wilfrid Laurier University Behavioural Accounting Conference, 2018. is this doctoral consortium or at a conference?


Wang, W. *Learning-by-Doing: Judge Experience and Bankruptcy Outcomes,* with Ben Iverson, Josh Madsen, and Qiping Xu, American Finance Association annual meetings, Atlanta, 2019.

Wang, W. *Debt-Equity Simultaneous Holdings and Distress Resolution,* with Yongqiang Chu, Ha Diep Nguyen, Jun Wang, and Wenyu Wang, American Finance Association annual meetings, Atlanta, 2019.

Wang, W. *The Real Effects of Implicit Government Guarantees,* with Shuang Jin and Zilong Zhang, invited talk Shanghai University of Finance and Economics (China) and Tsinghua University (China), 2018.

Wang, W. *Selling Innovation in Bankruptcy,* with Song Ma and Joy Tong, invited talk Simon Fraser University, 2018.

Yousefi, R. *Dynamic Pricing of the Fixed-term Subscription Contracts or One-time Purchase Offered to the Strategic Customers in a Heterogeneous Market,* with Jue Wang, Yuri Levin, Mikhail Nediak, INFORMS 2019 annual meeting, Phoenix, Arizona.

Yousefi, R. *Data-driven Quickest Detection of Customer Churn,* with Jue Wang, INFORMS 2019 annual meeting, Phoenix, Arizona.

BOOKS AND BOOK CHAPTERS


THE CONVERSATION


October 2018, Laurence Ashworth – Why We Think Businesses are Out to Get US: https://theconversation.com/why-we-think-businesses-are-out-to-get-us-103977

December 2018, Veikko Thiele – Angel investors, not entrepreneurs, need government support: https://theconversation.com/angel-investors-not-entrepreneurs- need-government-support-107324

December 2018, Matthias Spitzmuller – The group dynamics that make terrorist teams work: https://theconversation.com/the-group-dynamics-that-make-terrorist- teams-work-104295


https://theconversation.com/angel-investors-not-entrepreneurs-need-gov
At the September 2018 Faculty Retreat, we focused on the significance of our research as it relates to pressing and emerging global business challenges. Faculty and staff explored the following questions:

- What emerging global, societal, environmental, economic, and technological issues do we expect to profoundly influence business and management practice?
- What are key related business research issues?
- How are we responding as a school?

From these discussions, the following “future of business research” themes were identified as particularly important to address.

Big data analytics and artificial intelligence: Looking at downstream impacts on human tasks and workplaces and traditional business models (among other issues), and at ethical questions arising from the application of AI.

Digital ledger technologies: Exploring the digital representation of the economy, digitization of trade, automation of decision-making, and disintermediation.

Digital transformation: In what ways are digital platforms and emerging technologies changing the rules of business, empowering stakeholders, revealing new market insights, and fueling entrepreneurship and innovation?

Demographic changes, societal shifts, and social enterprises: Examining organizational and workplace challenges that will result from Canada’s ageing society, the call for greater diversity and inclusion, and the evolution of social enterprises.

Resource scarcity, climate change, and sustainability: Investigating the business impacts on the natural environment, as well as sustainability strategies, community resilience, renewable energy, and ethical actions.

In an effort to accelerate our translation of insight into action, internal funding was provided for collaborative research addressing these and other leading-edge research themes (turn to pages 5 and 6 to learn about the latest Monieson Grants). And in a series of lunch-time events, the Smith research community provided feedback to a range of investigators who are studying key business questions (read “Future of Business Research” on page 3 for more information).

As the pace of change in society and business picks up, Smith researchers will continue to generate evidence-based insights that are essential to meeting emerging challenges.