

# Academy of Finance Distinguished Paper Award

## *Conservative Boards*

Sheri Faircloth, University of Nevada-Reno  
Arun Upadhyay, University of Nevada-Reno  
Rahul Bhargava, University of Nevada-Reno

## Academy of Finance Program Sessions Wednesday, February 27, 2013

### **1:30–2:45 p.m. ....Venetian Room, Upper East Mezzanine**

#### **Theme: Global Finance**

Chair: David Kunz, Southeast Missouri State University

#### **Global Financial Crisis—Paradox of Deleveraging and Austerity**

Monzurul Hoque, Saint Xavier University

Discussant: Inayat U. Mangla, Western Michigan University

#### **Islamic Banking and Finance (IBF) Revisited after Forty Years: Some Global Challenges**

Inayat U. Mangla, Western Michigan University

Jamshed Y. Uppal, Catholic University of America

Discussant: Monzurul Hoque, Saint Xavier University

#### **The Effect of Exchange Rate Volatility and Trade Deficit of Pakistan-A Comparative Analysis**

Mudassar Hasan, The University of Lahore

Ramizur Rehman, The University of Lahore

Discussant: David Kunz, Southeast Missouri State University

### **1:30–2:45 p.m. ....Georgian Room, Upper East Mezzanine**

#### **Theme: Corporate Finance**

Chair: Chu-Sheng Tai, Texas Southern University

#### **Intra-Industry Competition: A MGARCH Approach**

Chu-Sheng Tai, Texas Southern University

Discussant: Charles Rayhorn, Northern Michigan University

#### **Information Content of Stock Repurchases**

Naser Khaledi, Accounting Consultants

Musa Darayseh, American University of Sharjah

Discussant: Chu-Sheng Tai, Texas Southern University

#### **The Amazing P/E Ratio Which Can Be Transformed Into the Market-to-Book Ratio, and Hick's and Macaulay's Duration Formulae!**

Charles Rayhorn, Northern Michigan University

Kenneth Janson, Northern Michigan University

Discussant: Musa Darayseh, American University of Sharjah

### **3:00–4:15 p.m. ....Venetian Room, Upper East Mezzanine**

#### **Theme: Financial Markets**

Chair: Alex Meisami, Indiana University–South Bend

#### **Testing Casual Relation among Central and Eastern European Equity Markets: Evidence from Asymmetric Casuality Test**

Emrah İ. Çevik, Bülent Ecevit University

Turhan Korkmaz, Bülent Ecevit University

Emre Çevik, Kırklareli University

Discussant: Abdus Samad, Utah Valley University

#### **The Debt Trap: Wealth Transfers and Capital Structure Choice**

Alex Meisami, Indiana University–South Bend

Discussant: Turhan Korkmaz, Bülent Ecevit University

#### **Are Islamic Banks immune from Global Financial Crisis: Evidences from 15–Cross-country Islamic Banks**

Abdus Samad, Utah Valley University  
Discussant: Alex Meisami, Indiana University–South Bend

**3:00–4:15 p.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Investments and Portfolio Management**

Chair: Hongbok Lee, Western Illinois University

**Bottom-Up Investing Ratios**

Hongbok Lee, Western Illinois University

David A. DeBoeuf, Western Illinois University

Alex Stanley, Western Illinois University

Discussant: Charles Rayhorn, Northern Michigan University

**Long-Run Returns for Retirement Portfolios: New Evidence from New Data**

Charles Rayhorn, Northern Michigan University

Kenneth Janson, Northern Michigan University

Discussant: Timothy Peterson, Gustavus Adolphus College

**A Comparison of the Returns Between Benchmark Index-Based Exchange Traded Funds and Strategy Index-Based Exchange Traded Funds**

Timothy Peterson, Gustavus Adolphus College

Discussant: Hongbok Lee, Western Illinois University

Thursday, February 28, 2013

**9:15–10:30 a.m. ....Venetian Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Alex Meisami, Indiana University–South Bend

**Conservative Boards**

Sheri Faircloth, University of Nevada–Reno

Arun Upadhyay, University of Nevada–Reno

Rahul Bhargava, University of Nevada–Reno

Discussant: James R. Scott, Missouri State University

**Board Independence: An Effective Measure for Overall Corporate Governance Performance?**

William Bosworth, Western New England University

Sharon Lee, Western New England University

Discussant: Sheri Faircloth, University of Nevada–Reno

**Dividend Policy, Firm Size, and Market Valuation**

James R. Scott, Missouri State University

Mark Allen, Missouri State University

Discussant: William Bosworth, Western New England University

**9:15–10:30 a.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Investments and Portfolio Management**

Chair: Mark A. Wrolstad, Winona State University

**A Portfolio Model of Financial and Non-Financial Assets Using Panel Data**

Pamela D. Morris, Kaplan University

Albert E. DePrince Jr., Middle Tennessee State University

Discussant: Thomas Krueger, Texas A&M University–Kingsville

**Strategic Allocation Funds and Effects of Long-Tails Distributions on Total Returns**

Albert E. DePrince Jr., Middle Tennessee State University

Eugene DePrince III, Georgia Institute of Technology

Discussant: Mark A. Wrolstad, Winona State University

**Is it a Good Investment Strategy to Invest in Malcolm Baldrige Award Winners?: An Update**

Mark A. Wrolstad, Winona State University

Thomas Krueger, Texas A&M University–Kingsville

Discussant: Pamela D. Morris, Kaplan University

**9:15–10:30 a.m. .... Astor Room, Upper East Mezzanine**

**Theme: Real Estate**

Chair: Don T. Johnson, Western Illinois University

**Communication Quality in Real Estate Higher Education**

Don T. Johnson, Western Illinois University

Discussant: Hsiao-Fen Yang, University of Wisconsin-La Crosse

**Asset Pricing for Residential Real Estate**

Hsiao-Fen Yang, University of Wisconsin-La Crosse

Robert C. Wolf, University of Wisconsin-La Crosse

Discussant: Thomas Cooper, Memorial University of Newfoundland

**Financial Derivatives and the U.S. Residential Real Estate Market**

Irakly Skhirtladze, Memorial University of Newfoundland

Thomas Cooper, Memorial University of Newfoundland

Alex Faseruk, Memorial University of Newfoundland

Discussant: Don T. Johnson, Western Illinois University

**1:30–2:45 p.m. ....Venetian Room, Upper East Mezzanine**

**Theme: Special Topics**

Chair: Thomas Krueger, Texas A&M-Kingsville

**National Differences in Finance Journal Acceptance Rates**

Thomas Krueger, Texas A&M-Kingsville

Discussant: Janikan Supanvanij, St. Cloud State University

**The Perfect Storm that Destroyed the Defined Benefit Pension Plans and the Prospects for Comfortable Retirements in the Future**

Robert L. Howard, North Carolina A&T State University

Jerry Thorne, North Carolina A&T State University

Discussant: Thomas Krueger, Texas A&M-Kingsville

**Interest Rates, Inflation and Advertising Budgeting**

Janikan Supanvanij, St. Cloud State University

Discussant: Robert L. Howard, North Carolina A&T State University

**1:30–2:45 p.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Jamshid Mehran, Indiana University-South Bend

**Tax Legislation, a Blunt Instrument: The Case of Income Trusts in Canada**

Ian A. Glew, Memorial University of Newfoundland

Discussant: Hui Di, Indiana University-Purdue University Fort Wayne

**The Role of Tax Policy in the Growth of Entrepreneurship**

Charles Rayhorn, Northern Michigan University

Trent Batchelor, Northern Michigan University

Discussant: Ian A. Glew, Memorial University of Newfoundland

**The Impact of Double Taxation on Small Firms' Cash Holdings**

Hui Di, Indiana University-Purdue University Fort Wayne

Steven A. Hanke, Indiana University-Purdue University Fort Wayne

Discussant: Charles Rayhorn, Northern Michigan University

**Two Ways to Calculate the Quick Ratio**

Jamshid Mehran, Indiana University South Bend

Robert J. Balik, Western Michigan University

Discussant: Ian A. Glew, Memorial University of Newfoundland

**1:30–2:45 p.m. .... Astor Room, Upper East Mezzanine**

**Theme: Student Scholarship—Education in Finance**

Chair: Hongbok Lee, Western Illinois University

**Improved Textbook Coverage of Financial Forecasting**

Hongbok Lee, Western Illinois University

David A. DeBoeuf, Western Illinois University

Peppi M. Kenny, Western Illinois University

Discussant: Alex Faseruk, Memorial University of Newfoundland

**Teaching Ethical and Faith Based Investing: A Comparison of Investing Criteria and Mutual Funds**

Brian Porter, Hope College

Discussant: Hongbok Lee, Western Illinois University

**The Financial Implications of Using Decision Trees in Publicly Funded Health Care Screening in Canada**

Jennifer Donnan, Memorial University of Newfoundland

Alex Faseruk, Memorial University of Newfoundland

Discussant: Brian Porter, Hope College

**3:00–4:15 p.m. ....Venetian Room, Upper East Mezzanine**

**Theme: Financial Markets**

Chair: Jill Vihtelic, Saint Mary's College

**Looking for Market Inefficiencies with Ben Graham**

James R. Scott, Missouri State University

Discussant: Jill Vihtelic, Saint Mary's College

**Performance of Dow Jones Sustainability Indexes**

Jamshid Mehran, Indiana University–South Bend

Robert J. Balik, Western Michigan University

Discussant: James R. Scott, Missouri State University

**Performance of Firms with Good Financial Statements**

Tarek Zaher, Indiana State University

Neil Clark, Indiana State University

Abdulelah Almofeez, Indiana State University

Discussant: Robert J. Balik, Western Michigan University

**3:00–4:15 p.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Monzurul Hoque, Saint Xavier University

**Do Managers Have Incentive to Provide Cash Flow Forecasts Voluntarily?**

Monzurul Hoque, Saint Xavier University

Kenneth C. Rakow, Saint Xavier University

Discussant: Jim Haskins, University of North Dakota

**Recap vs. Non-Recap Takeovers: The Effect of Cash Levels, Corporate Charter Provisions, and Bank Debt**

John F. Robinson, Viterbo University

Discussant: Monzurul Hoque, Saint Xavier University

**Market Power and the Cash Cycle**

Walt Nelson, Missouri State University

Jim Haskins, University of North Dakota

Yilei Zhang, University of North Dakota

Discussant: John F. Robinson, Viterbo University

Friday, March 1, 2013

**8:00–9:15 a.m. ....Venetian Room, Upper East Mezzanine**

**Panel: Now that the 2012 National Election Is Over, Where Should I Invest My Retirement Savings?**

Chair: Mark A. Wrolstad, Winona State University

Panelists: Mark A. Wrolstad, Winona State University

Thomas Krueger, Texas A&M–Kingsville

Albert E. DePrince Jr., Middle Tennessee State University

Timothy Peterson, Gustavus Adolphus College

Tarek Zaher, Indiana State University

**8:00–9:15 a.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Financial Markets**

Chair: Omid Sabbaghi, University of Detroit Mercy

**Equity Returns and the Sustainable Growth Rate**

Omid Sabbaghi, University of Detroit Mercy  
Yuntaek Pae, Lewis University  
Navid Sabbaghi, Illinois Institute of Technology  
Discussant: Anthony Loviscek, Seton Hall University

**“The Lost Decade”: An MPT Perspective**

Anthony Loviscek, Seton Hall University  
Discussant: Sung Bae, Bowling Green State University

**Firm-Specific Determinants of Nominal Stock Return Risk: New Evidence with Industry Data**

Sung Bae, Bowling Green State University  
Kenneth J. Kopecky, Temple University  
Tai Yi, SUNY Fredonia  
Discussant: Omid Sabbaghi, University of Detroit Mercy

**8:00–9:15 a.m. .... Astor Room, Upper East Mezzanine**

**Theme: Risk Management and Insurance**

Chair: Alex Meisami, Indiana University–South Bend

**Does Asymmetric Risk Matter?**

Stephen P. Huffman, University of Wisconsin–Oshkosh  
Cliff R. Moll, University of Wisconsin–Oshkosh  
Discussant: Arthur J. Young, University of Central Missouri

**The Effect of Enterprise Resource Planning on Insurers’ Efficiency: Evidence from the Korean Insurance Industry**

Jin Park, Indiana State University  
Jong Hyun Park, Indiana State University  
Discussant: Stephen P. Huffman, University of Wisconsin–Oshkosh

**The Impact of the Financial Crisis on Insurer Stock Volatility and Covariance with the Market**

Raja Bouzouita, University of Central Missouri  
Mihaela Craioveanu, University of Central Missouri  
Arthur J. Young, University of Central Missouri  
Discussant: Jin Park, Indiana State University

**8:00–9:15 a.m. ....Tudor Room, Upper East Mezzanine**

**Theme: Special Topics**

Chair: Abrar M Fitwi, St. Mary’s College

**Using Debt Financing to Increase One’s Wealth**

Charles W. Johnston, Baker College  
Discussant: Abrar M Fitwi, St. Mary’s College

**Parallels between Consolidation of the Commercial Banking and Hospital Industries**

Stephen G. Morrisette, University of St. Francis  
Jamie Burgdorfer, Juniper Advisory  
Jordan Shields, Juniper Advisory  
Discussant: Charles W. Johnston, Baker College

**Naïve Diversification Really is a Free Lunch**

Stephen L. Lee, City University  
Discussant: Stephen G. Morrisette, University of St. Francis

**9:30–10:45 a.m. ....Venetian Room, Upper East Mezzanine**

**Theme: Global Finance**

Chair: Haiyan Yin, Indiana University–South Bend

**Post-IPO performance of Chinese banks**

Haiyan Yin, Indiana University–South Bend  
Discussant: Chien-Chih Peng, Morehead State University

**A Comparison of Corporate Loan Pricing at Domestic and Foreign Banks**

Chien-Chih Peng, Morehead State University  
Discussant: Pat Obi, Purdue University Calumet

**Interest Rate Spread and Carry Trade since the U.S. Credit Rating Downgrade**

Pat Obi, Purdue University Calumet

Shomir Sil, Purdue University Calumet  
Discussant: Haiyan Yin, Indiana University–South Bend

**9:30–10:45 a.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: James R. Scott, Missouri State University

**Corporate Spin-Off: Variable Effects and Methods from Early Studies Tested on New Data Prior to the 2008 Recession**

James R. Scott, Missouri State University

Discussant: Elisabeta Pana, Illinois Wesleyan University

**Evidence From Bank Internal Capital Markets**

Tarun Mukhejee, University of New Orleans

Elisabeta Pana, Illinois Wesleyan University

Discussant: Matthew Wong, St. John's University

**Changes in Governance and Hostile Takeovers in Continental Europe: The Case of Arcelor's Takeover by Mittal Steel**

Matthew Wong, St. John's University

Discussant: James R. Scott, Missouri State University

**9:30–10:45 a.m. .... Astor Room, Upper East Mezzanine**

**Theme: Real Estate**

Chair: Alex Meisami, Indiana University South Bend

**Tenant Retention and the Securitization of Residential Leases**

Walt A. Nelson, Missouri State University

Discussant: Robert C. Wolf, University of Wisconsin–La Crosse

**Is Renting Better?**

Robert C. Wolf, University of Wisconsin–La Crosse

Dale L. Domian, York University

Discussant: Shane Van Dalsem, University of Wisconsin–La Crosse

**The Use of Restricted Funds as a Form of Governance for Non-Profit Organizations**

Shane Van Dalsem, University of Wisconsin–La Crosse

Discussant: Walt Nelson, Missouri State University

**9:30–10:45 a.m. ....Tudor Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Reza Rahgozar, University of Wisconsin–River Falls

**Performances of Dividend and Non-Dividend Paying Stocks and Their Relationships with Financial Distress Measure**

Reza Rahgozar, University of Wisconsin–River Falls

Discussant: William Lepley, University of Wisconsin–Green Bay

**Impact of the 2008–2009 Recession on Minority-Owned U.S. Banks**

William Lepley, University of Wisconsin–Green Bay

Robert A. Nagy, University of Wisconsin–Green Bay

Mussie Teclezion, University of Wisconsin–Green Bay

Discussant: Yewmun Yip, University of South Dakota

**Value Relevance of Foreign Currency Fluctuation: Accounting or Economic Effect**

Yuli Su, Francisco State University

Yewmun Yip, University of South Dakota

Discussant: Reza Rahgozar, University of Wisconsin–River Falls

**11:00 a.m.–12:15 p.m. ....Venetian Room, Upper East Mezzanine**

**Theme: Risk Management and Insurance**

Chair: Tarek Zaher, Indiana State University

**Day-of-the-Week Effect and January Effect Examined in Sweet Crude Oil**

Raj K. Kohli, Indiana University–South Bend

Discussant: Jeong Lee, University of North Dakota

**The Use of Financial Futures As Hedging Vehicles**

Jeong Lee, University of North Dakota  
Discussant: Seyed Amir E. Khorasgani, Middlesex University

**The Value of Stock's Screening and Stock's Ratings to Investment Management**

Tarek Zaher, Indiana State University

Neil Clark, Indiana State University

Discussant: Jeong Lee, University of North Dakota

**SMEs Default Prediction Model: An Analysis of the Existing Literature**

Seyed Amir E. Khorasgani, Middlesex University

Discussant: Tarek Zaher, Indiana State University

**11:00 a.m.–12:15 p.m. ....Georgian Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Mark A. Wrolstad, Winona State University

**Logistic Regression, Cash Flow Measures, and Prediction of Business Failure**

Shyam Bhandari, Bradley University–Peoria

Discussant: Robert Kao, Park University

**The Simplifications of the U.S. Corporate and Personal Taxations**

John Lee, Rigel Technology Corporation

Robert Kao, Park University

Discussant: Jeungbo Shim, Illinois Wesleyan University

**What Causes Bank Failures During the Recent Economic Recession?**

Qingyu Li, Illinois Wesleyan University

Jeungbo Shim, Illinois Wesleyan University

Discussant: Shyam Bhandari, Bradley University–Peoria

**11:00 a.m.–12:15 p.m. .... Astor Room, Upper East Mezzanine**

**Theme: Corporate Finance**

Chair: Monzurul Hoque, Saint Xavier University

**Retirement in the US: Golden Years or Shifting Sands?**

Kumoli Ramakrishnan, University of South Dakota

Discussant: Alex Faseruk, Memorial University

**The Role of Financial Ethics In An Economic Crisis**

Kyle Hickey, Memorial University of Newfoundland

Thomas Cooper, Memorial University of Newfoundland

Alex Faseruk, Memorial University of Newfoundland

Discussant: Dean Johnson, Michigan Technological University

**Are There Riches in Reputation?**

Dean Johnson, Michigan technological University

Kathryn Merritt, Miller College

Srinivasan Sundaram, Ball State University

Discussant: Kumoli Ramakrishnan, University of South Dakota

**11:00 a.m.–12:15 p.m. .... TBD**

**Theme: Global Finance**

Chair: Zi Nancy Ning, Delaware State University

**A Survey of Global Quantitative Easing (QE) Measures: The Effect on Global Financial Markets**

Inayat U. Mangla, Western Michigan University

Jamshed Y. Uppal, Catholic University of America

Discussant: Zi Nancy Ning, Delaware State University

**Using an Ex-post Approach to Teach the International Investment**

Zi Nancy Ning, Delaware State University

Discussant: Sean T. Carey, University of Wisconsin–Stevens Point

**An Examination of Internal Revenue Code (IRC) Tax Provisions that Provide Financial Incentives for US Job Exportation**

Sean T. Carey, University of Wisconsin–Stevens Point

Discussant: Inayat U. Mangla, Western Michigan University

