February 2013

Center for Engaged Learning and Teaching Program
Wellesley Room, Olin Hall
Noon to 1:15PM -- Wed., February 27

Developing Entrepreneurial Leadership:
Part 2 of 4: The Entrepreneurial Thought in Action Faculty Panel
Building on the foundation that Danna Greenberg and Kate McKone-Sweet laid for faculty in Part 1: The Bigger Picture on Jan 30th, this series continues with a deeper dive into the first principle, Entrepreneurial Thought in Action.

ETA Babson Faculty Panel:
Andrew Corbett, Entrepreneurship, will share examples of how the Entrepreneurship Division is using ETA.
James Hunt, Management, will discuss the linkages between organizational behavior and ETA in the redesign of FME.
Cheryl Kiser, Executive Director of Babson’s Lewis Institute, discusses/demonstrates how she is linking ETA to social entrepreneurs at the Babson Social Innovation Lab and in her MBA program.

Faculty News

“Better Tomorrow at Sodexo North America” by Jan Bell, Accounting and Law, Sinan Erzurumlu, Technology, Operations and Information Management, and Holly Fowler, Babson MBA’10, was accepted for publication in Cases in Sustainability: Applications in Supply Chain Management.

Sinan Erzurumlu presented “Deploying Sustainability at Solea,” a case co-authored by Jan Bell, Accounting and Law, Sinan Erzurumlu, Technology, Operations and Information Management, and Holly Fowler, Babson ’10, at the 2012 Decision Sciences Institute and won the 2012 Decision Sciences Institute Best Case Competition award.

The Journal of Product Innovation Management published a scholarly paper by Sebastian Fixson, TOIM, and T. J. Marion. “Back-loading: A Potential Side Effect of Employing Digital Design Tools in New Product Development” appeared in the December 2012 issue. Given CAD’s recent pervasive use, the research questions for this paper became “how has CAD use actually changed the way in which product development is conducted, and through which mechanisms and pathways can CAD impact PD performance, especially with respect to the idea of front-loading?”

Mary O’Donoghue’s short story "Honest, or Nine Precious Insights” appeared in The Drum literary journal in early January. The Drum publishes short fiction, novel excerpts, essays and interviews exclusively in audio form. Mary’s story was recorded in late 2012, and the journal describes it as "a vivid portrait of a man looking for companionship... [a] narrator [who] expresses both vulnerability and confidence, confusion and insight." The entire story is one sentence long. The recording is available here.

Back to Top
The BFRF committee has reviewed and accepted these papers from faculty members who have completed their BFRF sponsored research projects.

Jennifer Bethel, Finance, “Runs on Money Market Funds, Market Fragility, and Private and Public Sector Guarantees”

The study addresses questions posed by U.S. SEC Commissioners Aguilar, Paredes, and Gallagher in a September 17, 2012 memo to Chairman Schapiro and Director Lewis. The Commissioners’ specific questions can be grouped into three categories. The first category addresses the causes of investor redemptions of prime money market fund shares and purchases of Treasury money market fund shares during the 2008 financial crisis. Related, the Commissioners asked whether money market funds that break the buck outside a period of financial distress would cause a systemic problem. The second category of Commissioner questions covers the efficacy of the 2010 money market fund reforms in three general areas: fund characteristics, the events during the summer of 2011 and an analysis of the potential effect of the reforms on money market funds in 2008 had they been in place. The third set of questions relates to how future reforms might affect the demand for investments in money market fund substitutes and the implications for investors, financial institutions, corporate borrowers, municipalities, and states that sell their debt to money market funds.

S. Sinan Erzurumlu, TOIM, “Avoiding capability traps through contingent contracts: The role of cash and knowhow in startups”

The impact of an investor’s cash and knowhow on an entrepreneur’s performance has been debated. Investors may argue that their knowhow can substitute for cash, whereas entrepreneurs view knowhow to be a complement for cash, asking for more knowhow when they seek more cash. We model the impact of cash and knowhow in two-stage contingent contracts, subject to the entrepreneur meeting performance goals at the end of the first stage. Analytical findings are tested using angel investment data. Results reveal a nuanced relationship between cash and knowhow. Increasing the level of knowhow provision in the first stage of the contract makes the investor’s offer more attractive to the entrepreneur. However, contracts for such knowhow can create a capability trap, such that insufficient knowhow transfer results in failure to secure second stage financing. Analyzing contract parameters illustrates a tradeoff between capability trap risk and the amount of second stage investment.

Kandice Hauf, History and Society, “Biography of Wang Yangming (1472-1529)”

This biography of Wang Yangming (1472-1529) analyzes his thought and action as seeker of truth, often controversial re-interpreter of Confucian doctrine, leader of an intellectual fellowship, innovative state official and community reformer, and successful military strategist. In addition to presenting Wang in these public roles, I consider his private life as son, husband, and father. This places Wang within the national and local contexts of his time and will enable readers to gain an understanding of this important personage in world history, and of the broader themes and developments of Ming China.

Kankana Mukherjee, Economics, “Energy Efficiency in India’s Energy Intensive Industries: A Directional Distance Function Analysis”

The Energy Conservation Act, 2001 in India has characterized the energy intensive industries as “designated consumers” that will be subject to special monitoring and norms. However, there is a variation in the implementation of energy conservation measures across states. This project will utilize the method of Data Envelopment Analysis and directional distance function to examine the energy efficiency of each of the energy intensive industries across states in India over the period 2004-05 and 2007-08. The measure of energy efficiency will incorporate the goal of output growth. The findings of this project should be valuable for framing future policy.

Salvatore Parise, TOIM, “Understanding the Impacts of Social Media Games in Organizations”

Social-media-based games are increasingly being used by organizations to motivate, connect, and train its workforce; initiate new ways to engage and service its customers; and to innovate and generate new ideas. These games are designed with features such as badges, leaderboards, and multi-player support that motivate users by enabling a fun and challenging environment in which to explore and learn. This paper provides findings from an exploratory study that involved interviews with 52 game users, designers, and vendors across 30 organizational settings. Lessons learned and challenges with respect to game use and impacts are described.

Digital Knowledge at Babson

Digital Knowledge at Babson (DKB) is a digital collection or institutional repository that captures, preserves, and disseminates the intellectual property created within the Babson College community. It is designed to promote Babson based research, creative activity and other output and enable their discovery via the Web.

The BFRF Working Paper Series, which features all of the completed research projects that have been supported by the BFRF, is published on DKB.