

■ Transformative Consumer Research Gains Ground

A new movement called “Transformative Consumer Research” (TCR) is inspiring business researchers to explore how scholarship can change consumer behaviors for common and personal good, explains Punam Anand Keller, professor of management at Dartmouth College’s Tuck School of Business in Hanover, New Hampshire, and president elect of the Association for Consumer Research (ACR). ACR sparked the TCR movement in the fall of 2005 to foster research efforts that can improve consumers’ quality of life.

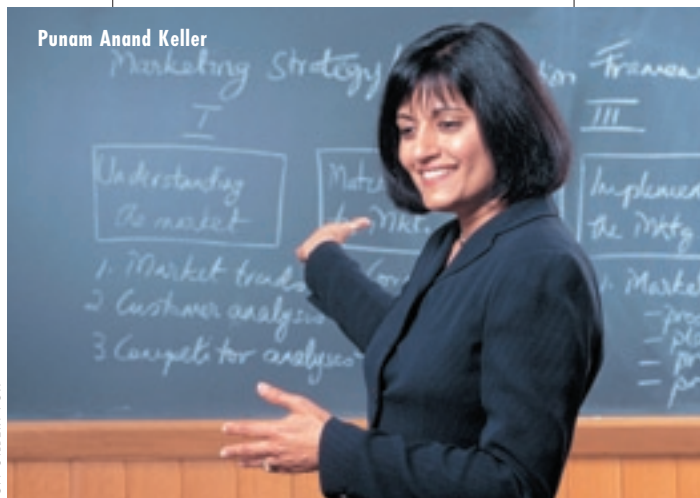
In her own research, Keller looks specifically at improving consumer welfare. In June 2007, for example, she will design a marketing program for private-sector financial regulatory service provider NASD to market programs on financial literacy. Keller is currently working with the Norris Cotton Cancer Center at the Dartmouth-Hitchcock Medical Center on a project aimed at reducing childhood obesity through the development of a communications program.

Keller’s research also has inspired a new, second-year elective at Tuck called “Transformative Marketing: Health, Wealth, and the Arts.” The course, which begins in January, presents major marketing challenges around issues such as financial health, obesity, exercise, nutrition, and diet, she explains.

“We developed this course to get students thinking about how

marketing can be applied to broader social issues,” says Keller. “Instead of restricting our focus to the impact marketing has on one’s own goals or organization performance, we illustrate how it can have an impact on both individual and collective social well-being.”

Keller will serve as co-chair of the first TCR conference, “Transformative Consumer Research: Inspiring Scholarship for Collective and Personal Well-Being,” to be held July 6–8 at Tuck. The conference will champion interdisciplinary TCR projects that combine the work of social scientists and health research-



ers with that of consumer researchers on topics such as obesity, smoking, gambling, parenting and consumption, the elderly and consumption, and financial decision making.

ACR recently received a \$30,000 grant from the Kellogg Foundation to begin funding TCR projects, and the *Journal of Consumer Research* has announced a related issue on consumer welfare. For information about the TCR conference, visit mba.tuck.dartmouth.edu/pages/faculty/punam.keller/conference/.

■ B-Schools and Businesses: Partners in Exec Ed

Academic research over the past decade has shown a growing preference among corporations for customized executive education offerings over conventional, open-enrollment programs. New research from Pennsylvania State University’s Smeal College of Business in University Park indicates that this trend is intensifying—so much so that corporations are seeking not only customization, but also long-term educational partners who will analyze their individual needs, develop customized solutions, and offer ongoing counsel.

Jeffrey Spearly, managing director of Penn State executive programs and senior instructor at Smeal, surveyed 22 executives responsible for executive education at Fortune 500 companies. He found that these executives are seeking “deep partner relationships that include assessment and consultation with education as a by-product.”

Some business schools’ experiences provide evidence of this trend. The Eller College of Management at the University of Arizona in Tucson, for example, recently partnered with SAP America Inc. to collaborate on two research projects—one to help SAP apply its software code to new technologies and another to improve the company’s supply chain efficiency with radio frequency identification (RFID) technology.

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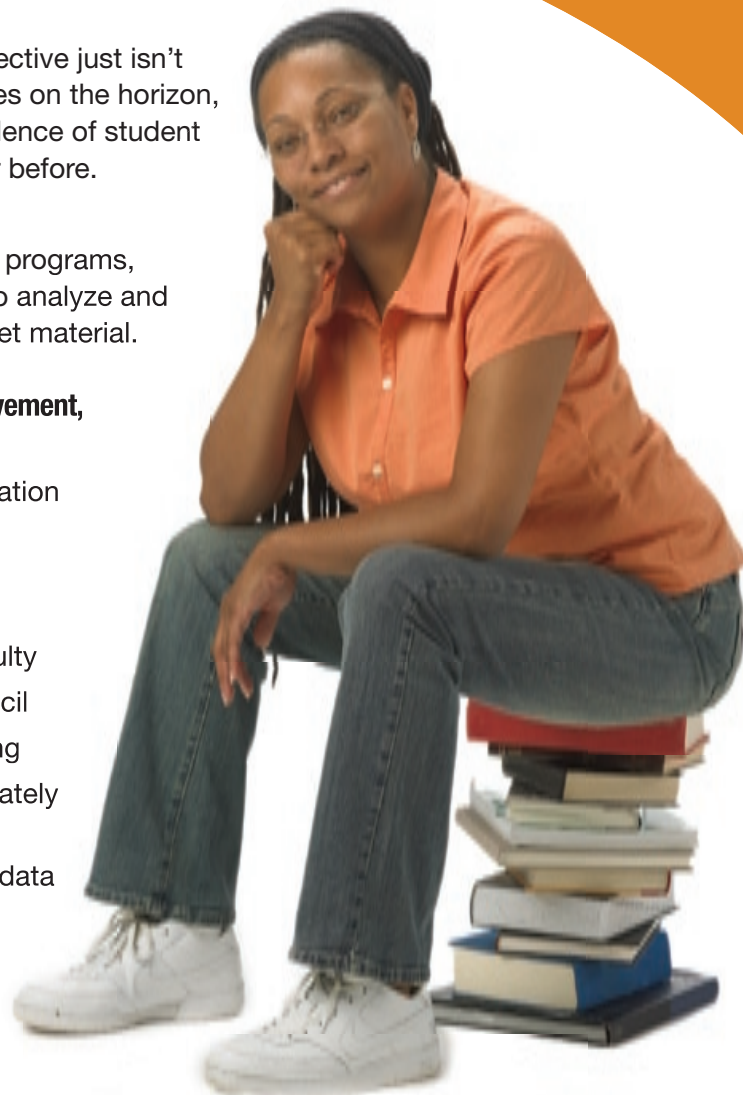
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THE PRESENCE OF THREE OR MORE WOMEN IN THE BOARDROOM "ENHANCES THE LIKELIHOOD THAT WOMEN'S VOICES AND IDEAS ARE HEARD."

The University of Tennessee's College of Business Administration in Knoxville recently established a long-term partnership with the U.S. Air Force. Under what is called an "indefinite delivery, indefinite quantity" (IDIQ) contract, UT will develop curriculum, teach programs, provide technical assistance, and create cost-saving models. In addition, the Air Force also will turn to UT faculty for research and projects related to its efforts to transform its response to global

issues and to increase the efficiency of its operations. The contract is worth up to \$25 million over the next five years.

One of the school's first research projects

will be to work with Air Force acquisition experts for a year to help them streamline their work. Other projects already planned include research on applying a more performance-based approach to managing major Air Force service contracts.

Penn State's Spearly notes that, as agreements such as the one between UT and the USAF become more common, business schools will have to place greater emphasis on applied and experiential learning, relationship management, customer service, and return on investment for their corporate partners. Says Spearly, "Successful executive education initiatives are driven by applied research, rooted in partnerships, and measured by contributions to the growth and success of corporate clients."

Jeffrey Spearly



Women on Boards Lead to Better Governance

If corporations want another reason

to bring more women into the boardroom, a recent study from the Wellesley Centers for Women (WCW) in Massachusetts may give it to them. According to the study, corporations with three or more women serving on their boards have a decidedly different atmosphere in their board meetings—and, as a result, better corporate governance.

The research for "Critical Mass on Corporate Boards: Why Three or More Women Enhance Governance," was conducted by Alison M. Konrad, a professor at the University of Western Ontario's Ivey School of Business in Canada; Vicki W. Kramer, consultant and former academic; and Sumru Erkut, senior researcher and associate director for WCW. After interviewing 50 women directors, 12 CEOs, and seven corporate secretaries from Fortune 1000 companies, the researchers found that a critical mass of three or more women on a board leads to a more collaborative leadership style that focuses on listening, social support, and win-win problem solving. Such an environment allows for more expansive discussion of tough issues and issues that pertain to multiple stakeholders.

The study found that a lone woman on a board can make a difference, and two women are more powerful than one. However, the study found that the presence of three or more women in the boardroom "enhances the likelihood that women's voices and ideas are heard." One or two women may

still feel isolated; with three or more, women feel less like outsiders and more like equal participants, the researchers found.

For years, says Kramer, groups such as WCW have worked to increase the number of women in the boardroom, but have been frustrated by the slow rate of change. Catalyst's 2005 report finds that women still hold only 14.7 percent of the positions on all Fortune 500 boards. "This study," says Kramer, "strengthens the case for the importance of moving beyond tokenism."

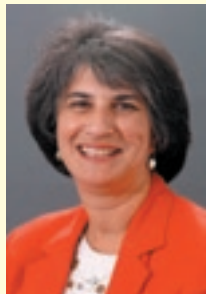
'Good News, Bad News' For Women in Business

Several recent research studies aim to offer global business a barometer of just how women are faring at all echelons of global business. Although women are making strides in some areas, the studies show that the news for women in business is both good and bad:

Women emphasize long-term growth over short-term profits. For female CEOs, long-term growth trumps shortcuts to success like cost-cutting or quick-exit strategies. That's a finding of a recent study conducted jointly by Babson College in Wellesley, Massachusetts, and The Commonwealth Institute, a Boston-based nonprofit. The study, "Top Women-Led Businesses in Massachusetts: 2005 Results," is a culmination of five years of data from 191 women-run firms in the state.

The study, authored by Nan Langowitz, director of Babson's Center for Women's Leadership, found that 80 percent of female

CEOs in Massachusetts identified expanding customer relationships as more important to their company's future growth than new products, geographic markets, or strategic alliances. Fifty-five percent of their businesses achieved an annual growth rate greater than 5 percent in 2005, approximately double the state and national averages of 2 percent and 2.6 percent, respectively.



Nan Langowitz

Women directors in Britain work more, earn less. In its annual Directors Rewards survey conducted by Croner Reward, the U.K.'s Institute of Directors found that across companies of all sizes, a female director earns an average annual salary of £55,000 (about US \$108,500), while her male counterpart earns an average annual salary of £72,100 (US \$1,423,000). In addition, women directors worked more hours than men. Those working for medium enterprises worked an average 51.25 hours per week compared to 50 hours for men. Those working for large enterprises worked 57 hours compared to 55 hours for men.

Few women are en route to top spots at U.S. firms. Of 942 U.S. companies, 48 percent had no women in their executive ranks; only 7.2 percent had more than two. These were the findings of the study, "The Pipeline to the Top: Women and Men in the Top Executive Ranks of U.S. Corporations," conducted by

Constance Helfat and Paul Wolfson of Dartmouth's Tuck School of Business, and Dawn Harris of Loyola University Chicago. Even if more women have entered the pipeline since the researchers began their research in 2000, Helfat notes that such an increase is "unlikely to have much effect on the number of female CEOs until at least 2016."

Chilean women are embracing entrepreneurship. The Global Entrepreneurship Monitor (GEM) Report on Women and Entrepreneurship in Chile, led by Universidad del Desarrollo in Santiago and supported by Babson College and the London Business School, indicates that entrepreneurship among Chilean women has risen 68 percent in the last three years. This growth has happened despite women's belief that they have less opportunity to become entrepreneurs than men. The report estimates that there are 513,000 women entrepreneurs in Chile, equal to 33 percent of all entrepreneurs in the nation—up from just 20 percent three years ago.

Each year, the number of women-initiated enterprises in Chile increases by nearly 20 percent. If this phenomenon continues, by 2010 women could outnumber men in new enterprises in the country and create more than 50 percent of jobs in new Chilean enterprises.

Women managers are still a minority in Europe. Two recent studies by Viviane de Beaufort, professor of European Community law at ESSEC Business School in Paris, show that a "glass ceiling" is

still present for women managers and entrepreneurs. In one study, de Beaufort found that while women occupy 30 percent of managerial positions on average, they hold only 10 percent of all senior management positions. The second study, which de Beaufort conducted with Margaret Milan, founder and director of the European Professional Women's Network, found that



Viviane de Beaufort

only 28 percent of female entrepreneurs receive financing from banks.

Like women entrepreneurs in Chile, European entrepreneurs also perceive obstacles in their path to success, according to de Beaufort and Milan. More than 49 percent of women entrepreneurs in Europe feel that they encounter financial difficulties when they try to start a new business.

Although the news isn't all encouraging, studies such as these indicate that women's interest and participation in business is increasing, which may be good news for business and business schools alike. As women continue to enter into business, their influence on companies and communities is most often positive, says Langowitz of Babson. "Women CEOs are committed to building strong and thriving organizations for the long haul," she says. "Their businesses are major engines of growth for the economy and key sources of philanthropy for the community."

STUDY BRIEFS

■ REACTIONS TO DISCRIMINATION

The study “Diversity Crises: How Firms Manage Discrimination Lawsuits” indicates that a company’s reaction to a discrimination lawsuit depends on the type of discrimination involved. Erika Hayes James of the University of Virginia’s Darden Graduate School of Business Administration in Charlottesville and Lynn Perry Wooten of the University of Michigan’s Ross School of Business in Ann Arbor studied media accounts of firms’ reactions to 84 class action discrimination lawsuits. They found that in cases of gender, age, disability, or religious discrimination, firms initially tend to deny culpability but settle out of court about a year later. In race-based cases, most firms move

quickly to settlement and adopt internal changes designed to reduce the chances of future discrimination. In sexual harassment claims, firms often deny allegations, retaliate against plaintiffs, and refuse to settle out of court. The study appeared in the December 2006 issue of the *Academy of Management Journal*.

■ BRAND ATTITUDES

Many researchers define “brand loyalty” strictly by how, and how often, a customer uses that brand; others, by consumer attitudes about that brand. Researchers Subir Bandyopadhyay and Michael Martell of Indiana University Northwest’s School of Business and Economics in Gary explore both approaches in their study, “Does Attitudinal Loyalty Influence Behavioral Loy-

alty?” forthcoming in the *Journal of Retailing and Consumer Services*. In the study, 1,096 people responded to a survey about their use of and attitudes about five toothpaste brands. They fell into three groups: single-time users, multiple-time users, and non-users. The researchers found that non-users had as high an opinion of the top brand as its multiple-users; they also found that single-users of the top brand demonstrated stronger brand loyalty than single-users of lesser brands. The results suggest that lesser brands may suffer not only from a narrower customer base than other brands, but also from weaker brand loyalty among their own users. The study is designed to help brand managers create better, segment-specific marketing strategies.

UPCOMING & ONGOING

■ DEFINING GLOBAL RESPONSIBILITY

The Centre for Global Responsibility at the Audencia Nantes School of Management in France has won a research contract from the European Foundation for the Improvement of Living and Working Conditions. Conducted in partnership with the European Trade Union Confederation’s research institute and the German consulting firm WMP-Consult, the research will examine the international codes of behavior and employee agreements that allow multinational companies to define their global social responsibilities.

■ USER-FRIENDLY SOFTWARE

William N. Robinson, an associate professor at Georgia State Univer-

sity’s Robinson College of Business in Atlanta, has been awarded a National Science Foundation grant of \$246,498. The grant will be used to support Robinson’s work to simplify software customization in the mass market. Robinson’s user monitoring theories and tools are designed to detect the user’s needs, he explains. “As the software is used, it does a self-assessment to determine if the user’s needs are being met,” says Robinson.

■ GIFT FOR PUBLIC POLICY

A new institute dedicated to tackling public policy issues and improving government effectiveness will soon be created at Clark University in Worcester, Massachusetts. Funded by a \$10 million gift from alumni William S. and Jane Rossetti Mosakowski, the

Mosakowski Institute will support research on issues such as economic development, environmental sustainability, and education reform.

■ POLAROID HISTORY

The Polaroid Corporation has donated its corporate archives, which include 1.5 million items dating back to the company’s founding in 1937, to Harvard Business School’s Baker Library. The collection ranges from printed materials such as annual reports, research and development files, and patent records to artifacts such as photographs, 3D glasses, camera models, and camera accessories. Says Geoff Jones, director of research at HBS, “This collection allows us to view at close range the corporate decisions and activities of an iconic American company.” [Z](#)

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