2012 IAFEP Conference & Beyster Symposium

Program

July 13-14, 2012

School of Management and Labor Relations
Rutgers University

This conference and symposium is sponsored and supported by the International Association for the Economics of Participation, the Foundation for Enterprise Development, the Employee Ownership Foundation, and the Fellowship Program at the Rutgers School of Management and Labor Relations.

RUTGERS
School of Management
and Labor Relations

Overview

Thursday, July 12

7:00-9:30	Informal reception	Heldrich Hotel (Christopher's Bar)

All events on Friday and Saturday (except dinner) are held at:
Bloustein School building
33 Livingston Avenue
New Brunswick, New Jersey 08901
(across the street from The Heldrich Hotel)

Friday, July 13

8:30-9:00	Welcome, breakfast, registration	Auditorium
9:00-10:15	Plenary keynote speech by Richard Freeman (Harvard University; Faculty Fellow and Mentor, Rutgers-SMLR); Initial trailer of film: "We the Owners: Employees Enhancing the American Dream"	Auditorium
10:30-12:00	Parallel sessions 1	Break-out rooms
12:00-1:15	Lunch	Lobby
1:15-2:45	Parallel sessions 2	Break-out rooms
3:00-4:00	Film preview: "We the Owners: Employees Enhancing the American Dream" Mary Ann Beyster, Producer and President, Foundation for Enterprise Development	Auditorium
4:15-5:45	Parallel sessions 3	Break-out rooms
7:00– onward	Dinner, Horvat-Vanek prize	Steakhouse 85 (85 Church St.)

Saturday, July 14

8:30-9:00	Breakfast	Lobby
9:00-10:30	Parallel sessions 4	Break-out rooms
10:45-12:15	Parallel sessions 5	Break-out rooms
12:15-1:30	Lunch	Lobby
1:30-3:00	Parallel sessions 6	Break-out rooms
3:15-4:45	Parallel sessions 7	Break-out rooms
5:00-5:45	IAFEP closing remarks and business meeting	Auditorium

Detailed Program

Thursday, July 12

7:00-9:30	**Informal reception**	**Heldrich Hotel (Christopher's Bar)**

Friday, July 13

8:30-9:00	**Welcome, breakfast, registration**	**Lobby**
9:00-10:15	**Plenary keynote speech by Richard Freeman (Harvard University; Faculty Fellow and Mentor, Rutgers-SMLR); Initial trailer of film: "We the Owners: Employees Enhancing the American Dream"**	**Auditorium**

Friday, July 13 continued

10:30-12:00 Parallel sessions 1

Session 1A: Drivers of Performance **Auditorium**

Chair: Virginie Pérotin (Leeds U.)

Hollandts, Xavier (Ecole Superiere de Commerce); Nicolas Aubert (Toulon U.), "Employee Ownership and Corporate Performance: The Case of a French Listed Company"

Ben-ner, Avner (U. of Minnesota; Faculty Fellow and Mentor, Rutgers-SMLR); Fanmin Kong (Peking University); Stephanie Lluis (University of Waterloo), "Do ESOPs and Profit Sharing Matter? Productivity, Profitability, Employment, Wages, and Workplace Safety"

Monteiro, Natalia (U. of Minho); Geoff Stewart (U. of Southampton), "Scale, Scope and Survival: A Comparison of Labour-Managed and Capitalist Modes of Production."

Session 1B: New Directions in Shared Capitalism Research (Beyster Symposium Session) **Room 113**

Co-chairs: Marshall Vance (U. of Pennsylvania; Blue Wolf Capital Fellow, Rutgers- SMLR) and Kyle Farmbry (Rutgers U.; Louis O. Kelso Fellow, Rutgers-SMLR)

Kurtulus, Fidan (U. of Massachusettts-Amherst; J. Robert Beyster Fellow and Michael W. Huber Fellow, Rutgers-SMLR), Douglas Kruse (Rutgers U.; J. Robert Beyster Faculty Fellow, Rutgers-SMLR), "How Did Employee Ownership Firms Weather the Last Two Recessions?"

Olsen, Erik (U. of Missouri-Kansas City; Joseph Cabral Distinguished Scholar and Fellow and Louis O. Kelso Fellow, Rutgers-SMLR), "The Effect of Employee Ownership on Labor Supervision and Discipline"

Melizzo, Phil (College of Wooster; Louis O. Kelso Fellow, Rutgers-SMLR), "Is Social Capital Endogenous to Compensation Plans"

Session 1C: Empowering Low-income Groups **Room 112**

Chair: Ira Gang (Rutgers U.)

Kornginnaya, Sudha (Mangalore U.), "Financial and Decision-making Participation of Marginalized Small Farmers through Pragathi Bandhu Model in India"

Robano, Virginia (George Washington U.); Stephen C. Smith (George Washington U.), "Multidimensional Targeting and Evaluation: Framework and Application to a Poverty Program in Bangladesh"

Nandhi, Mani (U. of Delhi), "Effect of Mobile Banking on the Savings Practices and Financial Inclusion of Low Income Users – The Indian Experience"

12:00-1:15 **Lunch** **Lobby**

1:15-2:45 **Parallel sessions 2**

Session 2A: Cooperatives and Democracy **Auditorium**

Chair: Fidan Kurtulus (U. of Massachusetts-Amherst; J. Robert Beyster Fellow and Michael W. Huber Fellow, Rutgers-SMLR)

Malleson, Tom (U. of Toronto), "What Does Mondragon Teach Us About Workplace Democracy?

Freundlich, Fred (Mondragon U.); Gago, Mónica (Mondragon U.) ; Arando, Saioa (Mondragon U.); Larrañaga, Maribel (Mondragon U.); Larrañaga, Nerea (Mondragon U.); Esnaola, Santiago (Basque Dept. of Health), "Cooperative Employment Density, Social Capital and Health: Evidence from Gipuzkoa Province, The Basque Country"

Alves, Guillermo (Universidad de la Republica), Gabriel Burdín (Universidad de la Republica), Paula Carrasco (Universidad de la Republica), Andrés Dean (Universidad de la Republica), Andrés Rius (Universidad de la Republica), "Investment, Employment and Wages in Worker Cooperatives and Conventional Firms: New evidence from Uruguay"

Session 2B: Employee Ownership and Human Resource Management (Beyster Symposium Session) **Room 113**

Co-chairs: Eric Kaarsemaker (Norse Solutions Fellow, Rutgers-SMLR), Richard Long (U. of Saskatchewan; Research Fellow, Rutgers-SMLR) and Frank Mullins (North Carolina A&T State University; Bill Nobles Fellow, Rutgers-SMLR)

Poutsma, Erik (Radboud U.; Research Fellow and Faculty Mentor, Rutgers-SMLR,); Paul E.M. Ligthart (Radboud U.); Andrew Pendleton (U. of York; Research Fellow and Faculty Mentor, Rutgers SMLR); Chris Brewster (U. of Reading and Radboud U.), "Do Strategy Factors Determine the Development of Financial Participation Over a Long Period? Evidence from a European Survey"

Gully, Stan (Rutgers U.); Jean Phillips (Rutgers U.); John McCarthy (Rutgers U.); Sue Schurman (Rutgers U.), "The Role of Self-esteem and Ability in Influencing Applicant Reactions toward Employee Owned Companies"

Kuvandikov,Azimjon (U. of Essex); Andrew Pendleton (U. of York; Faculty Fellow and Mentor, Rutgers-SMLR); David Higgins (U. of York), "Executive Stock Ownership and Employment: Evidence from Mergers and Acquisitions"

Session 2C: Worker Participation in Decisions **Room 112**

Chair: Adrienne Eaton (Rutgers U.)

Anderson, Danae (AUT U.); Jeremy Hayman (AUT U.); Felicity Lamm (AUT U.), "Something Fishy? The Conflict between Catch Share and Worker Participation Schemes"

Litwin, Adam (Johns Hopkins U.); Adrienne Eaton (Rutgers U.), "The Impact of Frontline Employee Involvement on Service Quality"

Wang, Fuxi (Rutgers U.), "Collective Voice, Participation Intention, and the Formation of Employee Participation Behavior"

Session 2D: Empowerment through Cooperation and Nonprofits **Room 261**

Chair: Xavier Hollandts (Ecole Superiere de Commerce)

Raghavan, V.P. (People Institute of Management Studies), "Participatory Management and Food Chain Cooperatives: The Case of Indian Coffee House in Kerala, India"

Pavlyk, Khrystyna (Franko National University of Lviv), "Nonprofits in Transitional and Developed Economies: Analyzing Differences and Similarities"

3:00-4:00 **Film Preview: "We the Owners: Employees Enhancing the American Dream" Mary Ann Beyster, Producer and President, Foundation for Enterprise Development** **Auditorium**

4:15-5:45 Parallel sessions 3

Session 3A: Corporate Social Responsibility and Social Goals **Auditorium**

Chair: Gabriel Burdin (Universidad de la Republica, U. of Siena)

Koh, Linda (Hankuk University of Foreign Studies), "Redefining the Face of the Giver: Examining Employee Participation and CSR"

Fakhfakh, Fathi (ERMES, Paris-II University); Felix FitzRoy (Saint Andrews U.), "Financial Participation and Environnemental Innovation"

Vaughan-Whitehead, Daniel (ILO, Sciences Po), "Fair Wages and Employees' Financial Participation along the Supply Chain: Results from 2010–2011"

Session 3B: Political Metaphors and Workplace Governance (Beyster Symposium Session) **Room 113**

Co-chairs: Richard Simpson (U. of Miami; Louis O. Kelso Fellow, Rutgers-SMLR) and Ariana Levinson (U. of Louisville; Corey Rosen Fellow, Rutgers-SMLR)

Ferreras, Isabelle (U. of Louvain, Harvard Labor and Worklife Program), "The Capitalist Firm as a Political Institution, not an Economic Organization. The Proposal of a New Institutional Design Inspired by the Study of Western Political (R)evolutions: the Bicameral Firm"

Friday, July 13 continued

Mackin, Chris (Ray Carey Fellow, Rutgers-SMLR), "The Union as 'Loyal Opposition' in the Firm"

Ellerman, David (U. of California-Riverside; Faculty Fellow and Mentor, Rutgers-SMLR), "Listen Liberals!: How to Talk to Libertarians and Classical Liberals about Workplace Democracy"

Session 3C: Economies in Transition I **Room 112**

Chair: Frances Viggiani (Alfred U.)

Prasnikar, Janez (U. of Ljubljana); Novak Kondić (U. of Banja Luka); Dragan Mikerević (U. of Banja Luka); Damjan Voje (U. of Ljubljana), "Corporate Governance and Organizational Transformation in Developing Countries: Blockholding and Organizational Diversity in Republika Srpska"

Lisogor, Larysa (Ukrainian National Academy of Science), "Decision-making Participation in Ukraine: Problems and Prospects"

Session 3D: Theory and Dynamics of Financial and Democratic Participation **Room 261**

Chair: Fred Freundlich (Mondragon U.)

Ali, Mohammad (New York Institute of Technology); Anne-Laure Winkler (Rutgers U.) "Exploring the Link Between Employee Ownership and Voice Mechanisms"

Russell, Raymond (U. of California-Riverside, Faculty Fellow and Mentor, Rutgers SMLR); Shlomo Getz (U. of Haifa), "Changes in the Identity and Economic Condition of the Kibbutzim, 1995-2011"

Stikkers, Kenneth (Southern Illinois U.), "Deweyan Democracy as a Way of Economic Life"

7:00-	**Dinner, presentation of Horvat-Vanek prize**	**Steakhouse 85** (85 Church St.)

Saturday, July 14

8:30-9:00	**Breakfast**	**Lobby**

9:00-10:30 Parallel sessions 4

Session 4A: Macro Visions and Strategies Auditorium

Chair: Mark Klinedinst (U. of Southern Mississippi)

Viggiani, Frances (Alfred U.), "Cooperatives in the 21st Century: Growth and Transformation of an Espousedly Democratic Organizational Form"

Espinosa, Juan (FLACSO), "In a World in Crisis – A Better Use of Money: For the Creation of Jobs, Participation, and Community Development"

Vanek, Jaroslav (Cornell U.), "Destructive Trade and Workers' Self-defense Through Economic Democracy"

Session 4B: Ethics and Stakeholders Room 113
(Beyster Symposium Session)

Co-chairs: Amy Lyman (Great Place to Work Institute; Research Fellow, Rutgers-SMLR) and Peter Thompson (U. of Illinois; Research Fellow, Rutgers-SMLR)

Sledge, Sally (Norfolk State U., J. Robert Beyster Fellow, Rutgers-SMLR), "Recovering from an Ethical Dilemma: How Employee-Ownership Can Help"

Winkler, Anne-Laure (Rutgers U.); Joseph R. Blasi (J. Robert Beyster Professor, Rutgers-SMLR); Douglas L. Kruse (J. Robert Beyster Faculty Fellow, Rutgers-SMLR); David L. Finegold (Rutgers U.), "Do Employee-owned Firms Manage Their Internal and External Stakeholders More Responsibly than Non-employee-owned Firms?"

Berry, Daphne (U. of Hartford; J. Robert Beyster Fellow, Rutgers-SMLR); Myrtle Bell (U. of Texas-Arlington), "Exploring the Principles of Stewardship Theory and Worker Cooperative Governance"

Session 4C: Economies in Transition II Room 112

Chair: Tatiana Ershova (South Federal University, Director of the Center for Democratic Initiatives and Economic Technologies, Kennan Institute Alumni)

Ershova, Tatiana (South Federal University, Director of the Center for Democratic Initiatives and Economic Technologies, Kennan Institute Alumni), "The 'Russian Model of ESOP': Current Status and Trends of Development"

Mygind, Niels (Copenhagen Business School), "The Development of Employee Ownership in China"

Domadenik, Polona (U. of Ljubljana); Janez Prašnikar (U. of Ljubljana); Luka Pataky (U. of Ljubljana), "Political Connections and Productivity of Firms"

Session 4d: Structuring Cooperatives **Room 261**

Chair: Panu Kalmi (U. of Vaasa)

Sacchetti, Sylvia (U. of Stirling); Ermanno C. Tortia (U. of Trento), "The Internal and External Governance of Cooperatives: Effective Membership and Consistency of Values"

Leung, Mike (Worker Cooperative Credit Union), "The Worker Cooperative Capital Structure"

10:45-12:15 Parallel sessions 5

Session 5A: Turnover and Conflict **Auditorium**

Chair: Fathi Fakhfakh (ERMES, Paris-II University)

Burdin, Gabriel (Universidad de la Republica, U. of Siena), "Redistribution, Quit Behavior and Organizational Performance: Evidence from Worker-managed Firms"

Jones, Derek (Hamilton College; Faculty Fellow and Mentor, Rutgers-SMLR); Panu Kalmi (U. of Vaasa); Takao Kato (Colgate U.); Mikko Mäkinen (Aalto U.), "Performance Pay and Worker Separation: A Discrete -Time Duration Model Approach"

Fakhfakh, Fathi (ERMES, Paris-II University); Aguibou Tall (ERMES, Paris-II University), "Financial Participation and Conflicts: Evidence from French Firms"

Session 5B: Theoretical Perspectives on Democracy and Participation (Beyster Symposium Session) **Room 113**

Co-chairs: Trevor Young-Hyman (U. of Wisconsin-Madison; Louis O. Kelso Fellow, Rutgers-SMLR), Robert Van der Wag (Georgetown U.; Research Fellow, Rutgers-SMLR)

Kaswan, Mark (U. of Texas-Brownsville; Michael W. Huber Fellow and J. Robert Beyster Fellow, Rutgers-SMLR), "Weak Democracy: When Participation Becomes Democracy"

Heckscher, Charles (Rutgers U.), "Worker Ownership and Collaborative Production"

Goldberg, Michal (New York U.; Adam Blumenthal Fellow, Rutgers-SMLR), "Divide and Conquer? Decentralized Firm Structure may Promote Cooperation"

Session 5C: Sustainability and Future of Cooperatives Room 112

Chair: Daphne Berry (U. of Hartford; J. Robert Beyster Fellow, Rutgers-SMLR)

Ben-ner, Avner (U. of Minnesota; Faculty Fellow and Mentor, Rutgers); Matthew Ellman (Institute for Economic Analysis, IAE-CSIC; Barcelona Graduate School of Economics) "The Contributions of Behavioral Economics to Understanding and Advancing the Sustainability of Worker Cooperatives"

Tortia, Ermanno (U. of Trento), "New Generation Worker Cooperatives? Envisaging a New Research Agenda"

Lembitz, Bre (Clark University), "Cooperatism: A Political and Economic Model for the Future"

12:15-1:30 Lunch Lobby

1:30-3:00 Parallel sessions 6

Session 6A: Profit Sharing and Pay Auditorium

Chair: Jeffrey Pliskin (Hamilton College)

Delahaie, Noélie (Institut de Recherches Economiques et Sociales); Richard Duhautois (CEE and University of Paris-Est), "Profit-Sharing and Wages in France: an Empirical Analysis over the Period 1999-2005"

Fakhfakh Fathi (ERMES, Paris-II U.), Marie Merlateau (ERMES, Paris-II U.); Virginie Pérotin (Leeds U.), Andrew Robinson (Leeds U.); and Ahmed Chtourou (ERMES, Paris-II U.), "Back to Weitzman? The Effects of Profit-sharing Schemes on Pay in France and the UK"

Daneshfar, Alireza (U. of New Haven), "The Positive Effect of Employee Variable Pay on Income Measurement"

Saturday, July 14 continued

Session 6B: The Corporation, Finance, and Employee Ownership (Beyster Symposium Session) **Room 113**

Co-chairs: Ilona Babenko (Arizona State U.; J. Robert Beyster Fellow, Rutgers-SMLR) and Michael Bikard (J. Robert Beyster Fellow, Rutgers-SMLR)

Bova, Francesco (U.. of Toronto; Louis O. Kelso Fellow, Rutgers-SMLR); Kalin Kolev (Yale U.); Jake Thomas (Yale U.); Frank Zhang (Yale U.), "Non-Executive Employee Ownership and Corporate Risk-Taking"

Dimmock, Stephen G. (Nanyang Technological University); William C. Gerken (U. of Kentucky; J. Robert Beyster Fellow, Rutgers-SMLR); Jennifer Marietta-Westberg (Securities and Exchange Commission), "What Determines the Allocation of Managerial Ownership within Firms? Evidence from Investment Management Firms"

Woodley, Vernon (Eastern Illinois U.; Research Fellow, Rutgers-SMLR), "The Effects of Employee Involvement and Team Participation on Employee Compensation"

Session 6C: Emergence of Cooperatives and Labor Management **Room 112**

Chair: Andres Dean (Universidad de la República)

Albanese, Marina (U. of Naples); Cecilia Navarra (DIAL-IRD and U. of Turin); Ermanno Tortia (U. of Trento and U. of Stirling), "Employer's moral hazard and the emergence of worker cooperatives"

Jensen, Anthony (U. of Sydney), "Insolvency and the Labour Managed Firm - a Theoretical Model Explaining Emergence and Behaviour"

Dean, Andres (Universidad de la República), "Demographic Behavior of Worker Cooperatives and Capitalist Firms in Uruguay"

3:15-4:45 Parallel sessions 7

Session 7A: Dynamics of Variable Pay and Participation **Auditorium**

Co-chairs: Anne-Laure Winkler (Rutgers U.), and Derek Jones (Hamilton College, Faculty Fellow and Mentor, Rutgers-SMLR)

Kang, Saehee, “The Moderating Effect of Culture on the Relation between Employee Stock Ownership and Firm Financial Performance”

MacDonald, Daniel (U. of Massachusetts-Amherst), "An Empirical Analysis of the Dynamic Properties of Piece-Rate Contracts: Ratchet Effects and Social Conditions in an Early US Textile Mill"

Jirjahn, Uwe (University of Trier); Vanessa Lange (University of Trier), “Reciprocity and Workers’ Tastes for Representation”

Session 7B: Employee Ownership in the Midwest and Across the Nation (Beyster Symposium Session) **Room 113**

Co-chairs: Sanjay Pinto (Harvard U.; Louis O. Kelso Fellow, Rutgers-SMLR), and Matt Thomas (New School U.; Corey Rosen Fellow, Rutgers-SMLR)

Yates, Jacquelyn (Kent State U.; Louis O. Kelso Fellow, Rutgers SMLR), “What Happens After the ESOP Agreement is Signed?”

McTague, Tricia (Eastern Michigan U.; Research Fellow, Rutgers-SMLR), “Unions and Employee Ownership: What Do We Know?”

Blasi, Joseph (J. Robert Beyster Professor, Rutgers U.-SMLR); Douglas Kruse (J. Robert Beyster Faculty Fellow, Rutgers U.-SMLR), “Broad-based Worker Ownership and Profit Sharing: Can These Ideas Work in the Entire Economy?”

Session 7C: Banks and Finance **Room 112**

Chair: Charles Rock (Rollins College)

Jones, Derek (Hamilton College; Faculty Fellow and Mentor, Rutgers-SMLR); Iiro Jussila (Lappeenranta U. of Technology); Panu Kalmi (U. of Vaasa), “The Evolution of Membership in Co-operative Banks: Common Bond vs. Private Gain?”

Klinedinst, Mark (U. of Southern Mississippi), “Bank Decapitalization: The Impact of Excessive Compensation”

Makinen, Mikko (Aalto U.), “Ownership Structure and Cost Efficiency in European Banking” and “Ownership Structure and Financial Distress in European Banking”

5:00-5:45 **IAFEP closing remarks and business meeting** **Auditorium**

About

The International Association for the Economics of Participation (IAFEP) is dedicated to exploring the economics of democratic and participatory economic organizations, such as labor-managed firms, cooperatives and firms with broad-based employee share-ownership, profit-sharing and worker participation schemes, as well as democratic nonprofit, community and social enterprises. The IAFEP Conferences, which take place every two years, provide an international forum for the presentation and debate of current research and scholarship on the economics of participation. For more information visit http://ocean.st.usm.edu/~w300388/index.html.

The Beyster Fellows Symposium, which is held once a year, is for young, emerging scholars who are being supported through the Rutgers Fellowship Program to study employee ownership and profit sharing. The symposium is supported annually by Mary Ann Beyster, Dr. J. Robert Beyster, and the Foundation for Enterprise Development with additional assistance from the Employee Ownership Foundation and the Fellowship Program at Rutgers. For more information visit http://smlr.rutgers.edu/research-and-centers/fellowship-programs.

Rutgers' School of Management and Labor Relations (SMLR pronounced "simler") is the leading source of expertise on the world of work, building effective and sustainable organizations, and the changing employment relationship. The school is comprised of two departments—one focused on all aspects of strategic human resource management and the other dedicated to the social science specialties related to labor studies and employment relations. In addition, SMLR provides many continuing education and certificate programs taught by world-class researchers and expert practitioners. For more information, visit http://smlr.rutgers.edu.