The Anderson Center for Entrepreneurship & Innovation launched its Business Accelerator, a space with mentorship and supportive programs to help launch student businesses.

The Smith Global Leadership Scholars, Haslam’s honors program, was named for supporters Greg and Lisa Smith.

The college launched three new study abroad programs. Argentina/Uruguay were available during spring break, while Panama and South Africa ran during the May mini-term.

336 gifts were made to the college during the Big Orange Give Campaign, the university’s one-day social media fundraising drive.

As an avid reader, Matthew Serfling constantly absorbs information from a variety of fields. “I’ve stumbled onto most of my successful topics,” he says. “I see something interesting and think, ‘How could this apply in finance?’”

It’s a system that seems to be working for him. Serfling’s research output places him among the top 3 percent of researchers in the field of finance, but he’s quick to downplay how he made it into the upper echelon of publishing academics. “I got lucky and had success getting published in top journals early on,” says Serfling, who came to the Haslam College of Business as an assistant professor of finance and Kinney Family Faculty Research Fellow in 2016. “Trying to replicate that has been tough.”

Much of his research looks at the intersection of labor, economics, and finance. “I’ve had a couple of papers dealing with labor market frictions related to how easy it is to fire workers or get rid of employees,” he says. “These frictions impact many different firm decisions, including how to finance the firm and whether or not it should take on risky debt.”

He’s also explored topics related to labor mobility and how firms impact labor outcomes. For example, “If a company can protect its trade secrets by keeping workers from going to competitors, they can manage risk, and this should affect how the firm is financed,” he says. “In another recent paper, we looked at how much information about the firm is available to employees, and how this information impacts employment uncertainty and employee wages.”

After taking an early interest in business, Serfling pursued law as an undergraduate. “I had a professor who recognized my interest in finance and encouraged me to follow it,” he says. “I realized it was a better fit for me.”

Serfling’s success is no surprise to Sandy Klasa, Serfling’s PhD advisor at the University of Arizona. “Matthew was the most focused student I’d ever seen, and

continued on the next page
he always had a positive attitude,” says Klasa. “Today, he definitely has a reputation as an expert on how labor issues can affect firms’ financial decisions.”

Tracie Woidtke, head of Haslam’s finance department and David E. Sharp/Home Federal Bank Professor, says Serfling’s findings could impact how businesses and policy makers think about labor issues. “He examines the effects that certain laws have on important corporate decisions, such as capital structure,” Woidtke says. “Because of that, his research has important policy and economic implications.”

While Serfling’s curiosity and strong work ethic keep him focused on projects, Woidtke says he always has time for colleagues and students. “Matthew spends a great deal of time collaborating and discussing research with students and faculty,” she says. “He also contributes to a strong departmental culture by coordinating monthly socials for the finance faculty.”

Vanessa A. Countryman, Chief Counsel in the US Securities and Exchange Commission’s Division of Economic and Risk Analysis, spoke in the 2017 NEEL Corporate Governance Speaker Series.

The Boyd Center’s annual Economic Report to the Governor projected continued growth in the Tennessee and national economies throughout 2018.

The Boyd Center’s annual population projections for the state projected growth in Tennessee’s metropolitan counties but decreases in many rural counties over the coming decades.

The Boyd Center released “The Impact of TennCare: A Survey of Recipients, 2017,” which shows that Tennessee’s overall uninsured rate increased from 5.5 to 6 percent between 2016 and 2017.

Terry L. Neal was named head of the Department of Accounting and Information Management. He succeeds Joe Carcello.

The American Accounting Association recognized Joe Carcello with its Outstanding Auditing Educator Award and its Distinguished Service Award.

Francine McKenna of MarketWatch spoke to accounting students as a Distinguished Guest Speaker.

Mark Bradshaw, a professor of accounting at Boston College, delivered a talk on the role of sell-side financial analysts in capital markets as part of the Distinguished Scholar Speaker Series.

The Boyd Center received supplemental funding from the W.E. Upjohn Institute for Employment Research supporting research centered on Tennessee Promise.

The Boyd Center partnered with UT’s Center for Transportation Research, the Tickle College of Engineering, the Howard H. Baker Jr. Center for Public Policy, and West Virginia University on a report detailing how dramatic decreases in Appalachian coal production have put many regional industries at risk for economic decline.
Facebook contains more than 65 million company pages that actively engage one billion users. For organizations selling goods and services from business to business, that’s a potential gold mine of customer prospects. Sifting through the vast expanse of possibilities has largely thwarted B2B companies though, as most use social media to qualify prospects based on intuition and a limited set of characteristics. Identifying and quantifying leads this way takes up valuable time that effective sales professionals could better use to convert leads.

Michel Ballings, an assistant professor in business analytics, recently authored a study with colleagues from Ghent University that was the first to show how machine learning techniques can help companies use social media to better qualify prospects. Ballings worked with Coca Cola to test the study’s models in the field and estimated that using lead lists generated from data that includes social media factors would result in a more than $21 million gain in revenue for the company in a one-year period. The study used a prospect information list that Coke purchased to identify more than 9,000 potential bars and restaurants with websites and Facebook pages that could be mined for data. Ballings’ research identified 73 key pieces of customer information from the commercial data, 53 from website text, and 99 from Facebook pages and posts. Using machine learning algorithms, it compared prospects to Coke’s current customers to find the closest match.

“The advantage of machine learning is that it automatically learns the model structure, as opposed to a human specifying the model,” Ballings says. “The main challenge in qualifying leads is the lack of qualifying characteristics. With big data, auto screening can simply find which characteristics present are relevant.”

Ballings then gave lists to Coke’s salespeople that ranked prospects based on each of the data sources (commercial list, website, Facebook, or various combinations) to test which source provided the highest quality leads. After six months of sales calls, he then ran the experiment in a second phase, comparing the prospects his models identified to the prospects Coke’s sales people actually converted.

“This is a more apples-to-apples comparison and a more direct way to evaluate whether the prospects we identified as high priority were the correct ones,” Ballings said. “In both phases—comparing prospects to actual customers or to successful conversions—Facebook data provided the most powerful indicators.”

The top 10 variables in both phases came from Facebook data, with likes, check-ins, and were-heres heading the top of the list. None of the commercial data variables, the means by which most companies currently identify prospects, were among the top influential variables.

MICHEL BALLINGS
Social Media and Machine Learning Uncover a Wealth of New Customers

DEPARTMENT & FACULTY NEWS

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“Our study challenges the current best practices for B2B customer acquisition,” Ballings says. “These commercial lists are very expensive, and public Facebook and website data provide a lot better value. It makes sense for companies to work with Facebook, Inc. to see if the approach proposed in our scientific study can be extended to a commercial solution.”

The idea for the study grew out of a partnership with a former Master of Science in Business Analytics student working at Coke, and a recent graduate assisted with the study while working there.

“Social media improves the qualification of prospects, and that translates into real, positive financial gains for companies,” Ballings says. “Machine learning techniques are increasingly driving all kinds of strategic business initiatives, and companies are very interested in our students with skills in this domain.” —Katie Williams

The GSCI hosted its 20th annual Supply Chain Forum with keynote addresses from Daniel Myers and Tom Morton and a luncheon address by Chancellor Beverly Davenport.

MARIANNE WANAMAKER
The Economic Advisor

When Marianne Wanamaker arrived in Washington, DC, to serve on the Council of Economic Advisors to the White House, she walked into an environment very different from academia.

“The biggest challenge has been adjusting to the pace,” Wanamaker, associate professor of economics at the Haslam College of Business and chief domestic economist at the National Bureau of Economic Research, says. “This is a place where you’re responsible for 20 tasks a day while trying to keep up with constant emails and phone calls.”

In July 2017, Wanamaker, who is both a Boyd Center and Kinney Family Faculty Fellow, dove into her one-year role as one of 10 senior economic advisors on the council serving under three political appointees. Council staff members hail from a variety of backgrounds, from academia and other sectors of government to private think tanks.

The council is tasked with assembling the annual Economic Report of the President, a congressionally mandated document due to the White House every February. “We try to raise issues in the American economy that we and the president believe should be the primary focus of any policy agenda,” says Wanamaker. “This year’s report talks about the importance of tax reform, the president’s deregulation agenda, the cyber security threat, and the stagnation of middle income and wages in America, laying out the case for why we need an infrastructure bill.”

Wanamaker’s job is to contribute whenever the conversation concerns labor markets, workers, or household incomes. “It’s almost never the case that a topic is pure and only touches one of us, so we work in teams,” she says. In addition to the annual report, members do internal research to support policy processes for the White House and produce other public reports.

Every month Wanamaker looks forward to the day the national jobs report comes out. The council receives an early copy of the numbers, and it is her job to prepare a brief for the president and a handful of other advisors to review the night before the release. A few minutes before the official data release, she joins statistical and political staff at the Department of Labor to brief the labor secretary, Alexander Acosta, on the forthcoming numbers. “In DC, and in any sort of economic circle, that report is a big deal,” she says. “It’s perhaps the most tracked economic indicator. Discussing it
in the labor secretary’s office with an amazing view of the US Capitol is a surreal experience.” Haslam is proud to have a faculty member serving in Wanamaker’s elite position, says Stephen L. Mangum, dean and Stokely Foundation Leadership Chair. “The council’s work may influence the decisions of the president and his team, move markets, and affect the lives of hundreds of millions of people,” Mangum says. “We are honored that Professor Wanamaker’s accomplishments and reputation warrant this great opportunity.”

Council Chairman Kevin Hassett calls Wanamaker a brilliant economist who has been involved in virtually every major economic decision made at the White House. “She’s the go-to person on so many issues it would take all day to list them,” Hassett says. “The University of Tennessee, Knoxville, has made a major contribution to public life in the US by sharing such a talented professor with us.”

Sam Ransbotham of Boston College and the Sloan Management Review spoke at the fall Business Analytics Forum.

BUSINESS ANALYTICS & STATISTICS

$1.7 million

Bogdan Bichescu, Randy Bradley, and Russell Zaretzki (along with Audris Mockus of the Tickle College of Engineering) received a National Science Foundation (NSF) grant totaling $1.7 million for their research on mapping the supply chains of open source software.

TOP 25

The Master of Science in Business Analytics (MSBA) was ranked 22nd in TFE Times’ 2018 Best Masters of Business Analytics Programs. This is the third year in a row Haslam made the ranking’s top 25.

The MSBA won the prestigious UPS George D. Smith Prize presented by the Institute for Operations Research and Management Sciences (INFORMS).

Sean Willems earned a spot among six finalists for the INFORMS Franz Edelman Award.

Ham Bozdogan has been invited to serve on the Scientific Program Committee of the Symposium on Data Science and Statistics (SDSS) as well as to conduct a session based on his research. He also will give a series of lectures at Istanbul University’s Quantitative Lectures (ISTQL).

The department launched the Melton Scholars, granting six undergraduate students $1,700 each and faculty support for original research.

INFOR DONATED LICENSES OF ITS CLOUD-BASED SUITE OF HUMAN RESOURCE INFORMATION SOFTWARE FOR STUDENT USE.

DEPARTMENT & FACULTY NEWS

MANAGEMENT

David Gras, along with doctoral students Michael Lerman and Nick Mmbaga, partnered with an international scholar to write a paper on differentiation in poverty-stricken areas of Nigeria that was published in the International Review of Entrepreneurship.

Maria Padilla-Romo

INFORMS DONATED LICENSES OF ITS CLOUD-BASED SUITE OF HUMAN RESOURCE INFORMATION SOFTWARE FOR STUDENT USE.

Maria Padilla-Romo

ECONOMICS

Maria Padilla-Romo published a study in the Journal of Health Economics, which found that capturing the leaders of criminal organizations in Mexico causes large and sustained increases in homicide rates.

Marianne Wanamaker gave the African American History Month lecture at the US Department of the Treasury.

Ken Baker served as the faculty lead in developing a new microeconomics course as part of Tennessee’s Statewide Dual Credit program.

Matt Murray addressed tax reform and the deficit during the annual Tennessee Economic Outlook press conference.

Matt Harris was named the Michael Stahl Physician Executive MBA Faculty Fellow.

Celeste Carruthers was appointed co-editor of the Economics of Education Review.

Raphael Bostic, president and CEO of the Federal Reserve Bank of Atlanta, was the guest speaker at the spring Knoxville Economics Forum.

ECONOMICS