

Happenings in the Southeast Region

by Christina McCart, Roanoke College

The 39th annual meeting of Southeast DSI was held in historic Charleston from February 16th to 18th. With over 175 participants, 140 accepted papers/panels/tutorials/workshops, and student paper competitions at all levels, it was truly a success by any measure. Many thanks to Program Chair **Wesley M. Jones, Jr.** of The Citadel who did an outstanding job pulling it all together.

This year's student paper competition, organized and led by **Joan Donohue** of the University of South Carolina, had a number of papers submitted at all levels. Students were judged on both their papers and their presentations, so judges were diligently evaluating students right up until the awards were presented. Taking first place in the PhD competition was **Andy Arnette** of Virginia Tech ("Extending the Vector Analytical Hierarchy Process Clustering Algorithm to Create More Coherent Subgroups"). The MBA competition was won by **Josh Wolf** of Frostburg State University ("Expectations of Today's Job Seekers: Do They Value the Job or Their Wallet?"). At the undergraduate level, first place was awarded to **Drew Griffin** of Liberty

University ("General Motors: An Exploratory Analysis").

One of the highlights of our meeting was a tour of the Wando Terminal – Port of Charleston. With over 3,800 continuous feet of berth space, 10 container cranes and 242.3 acres of container storage space, Wando Terminal has received worldwide recognition for its innovative design and overall productivity. It was quite interesting to see such a facility at work and learn about its operations and just how much 9/11 has changed those operations.

Another highlight of the meeting for the officers and program committee was the officers' reception, which was held on the campus of The Citadel and hosted by **Lieutenant General John W. Rosa, President; Brigadier General Samuel H. Hines, Jr., Provost; Colonel Ronald F. Green, Dean; and Colonel Mark A. Bebensee, Associate Dean.** They not only treated us to plenty of fine food and drinks, but we also had the pleasure of being entertained by the Citadel Chorale.

Our meeting ended with our closing luncheon, which was presided over

by the SEDSI president, **Amit Shah** of Frostburg State University. Awards were presented for two best papers in their tracks. In the Accounting, Ethics and Law track, **Ed Showalter** of Randolph Macon College received the outstanding paper award for "The Corporate Character Ethical Value Matrix: Theory and Measure Development." The outstanding paper award in the Agriculture Economics and Finance track was presented to **Lonnie Bryant** of the College of Charleston for his paper "Mutual Fund Complex Decisions to Purchase Mutual Funds: Insider Insights."

The final and most prestigious award presented was the SEDSI Distinguished Service Award. Last year's recipient, **Hope Baker** of Kennesaw State University presented the award to **William B. Carper** of the University of West Florida. Carper has been an active member of SEDSI since the early 1970s. He served as president for two years; during his time as president and past-president, he was instrumental in updating our constitution and by-laws and in developing a handbook for of-

See SEDSI, page 20



The Citadel Chorale entertained attendees at the SEDSI officers' reception.



SEDSI President Amit Shah (left) and Bill Carper, who was awarded the SEDSI Distinguished Service Award.

Hagan Brings Art to the Western Region

by Krishna S. Dhir, Berry College, WDSI Past President (2003-2004)

Much of social networking among the members of our Institute takes place at the annual meetings where we invariably make new friends and get together with ones we have known a long time. With over a thousand individuals milling around, we may sometimes stereotype individuals by the areas in which they do research or teach, or even the roles they play in the organization of the Institute and its activities. Of course, each individual in our Institute is so much more than a researcher or a teacher. Our collective interests go beyond the academics. Among us creativity abounds. Among us are individuals who play musical instruments both alone and in a band, sing songs and cut music albums, engage in wildlife preservation and eco-

logical conservation, study herpetology, write fiction and off-Broadway plays, climb mountains, write poetry, research animal behavior, and create works of art in many different mediums. Often those active in the regions, where we meet in relatively smaller gatherings, know of and see such works of their colleagues at much greater proximity than at the Institute annual meetings.

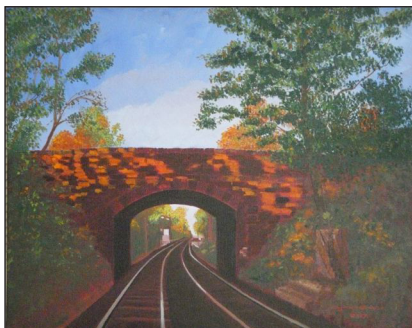
Many of us who are members of the Western Decision Sciences Institute are well acquainted with an outstanding artist among us, Alfred J. Hagan, Jr., Emeritus Professor of Economics at Pepperdine University. His paintings are best described in his own words (see below). He has been juried into the prestigious Pacific Art Group, and his last

one-man show was at the Norris Theatre Upstairs Gallery in Rancho Palos Verdes from March 16th through April 14th this year. (If you are reading the print version of this issue, please do not miss the color version on the *Decision Line* web site—Al's paintings are best appreciated in color.)

Al received his PhD at the University of Texas, MBA at Indiana University, and BS from the University of Maine. Before joining Pepperdine University, he taught at California State University – Fullerton, American Graduate School of International Management, The University of Texas – Permian Basin, and Arizona State University. ■



1.



2.



3.



4.

Artist's Statement

by Alfred J. Hagan, Jr.



Hagan

In my painting, I look for subjects that allow me to bring strong light and color to the scenes in ways that will cause the viewer to recall that image or similar images they have known.

I grew up in the northeast of England near where Winslow Homer did his fantastic watercolors of life in the fishing villages on Northumberland's stormy coast. As an only child, it was

natural for me to spend my free time drawing and painting. I was influenced by the dramatic colors and scenes of the pirate books illustrated by Howard Pyle, N. C. Wyeth, and others of the Brandywine School. After coming to America, I won a position in the New York City High School of Industrial Arts, which gave me an introduction to the world of commercial art. I also had the occasional drawing lesson at the Art Students League through teachers who taught at both schools. Unfortunately, I never used

any of this training until these past five years in California and, largely, through the influence of my teacher, Lee Kim, and my fellow students in the Palos Verdes Art Center.

Since coming to California nearly 30 years ago, I continue to marvel at the strong light and color shown in the striking California landscapes, especially those of the coastal areas. On a visit to an art museum in Vancouver, British Columbia, I saw the works of the Canadian Group of Seven. Their works on exhibit,

particularly those of Tom Thomson and Lawren Harris, inspired me to begin painting again. While looking for inspiration among local artists, I found the plein air painters of California, particularly the work of Edgar Payne, to be exactly what I was looking for. I gave up my long-delayed return to watercolor and set out to learn to paint in oil.

My paintings are almost all in oil now. They are typically representational, with emphasis on strong perspective and color and value contrast to evoke in the viewer the same feeling the scene presented to me. I particularly enjoy dramatizing the intensity, temperature, and value of colors to enhance that effect.

My work outside of art has always provided opportunities to travel. Thus, the paintings here are from three sources: California, England, and Argentina. The California scenes reflect the long fascination I have had for southwest missions. I have been able to represent the missions of San Juan Capistrano, San Juan Bautista, San Miguel, San Carlos Borromeo, and Santa Ynez with more yet to come. The English scenes represent the area where I grew up—from Bamburgh to the river Tyne. The Argentine work shows both urban and remote areas with scenes from Buenos Aires to a view of the bottom of the Americas, the Mount Fitz Roy Park area in Patagonia.

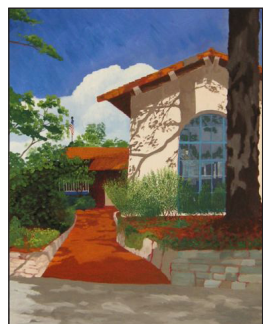
My work in oils, to date, has been almost entirely studio based. I now feel the need to get out of the studio and into the countryside to build the techniques necessary for plein air work. So, if you see me out painting, stop and say hello. ■

(ahagan@pepperdine.edu)



5.

- LEGEND**
1. Cafe Abril, Buenos Aires
 2. Tyneside Metro Bridge
 3. San Diego Mission
 4. St. Aidans
 5. Bamburgh Grocery
 6. Carmel Library
 7. San Juan Capistrano
 8. Buenos Aires Street Scene
 9. Tango Viejo



6.



7.



8.



9.

Regions Add Value to the DSI Experience

by Karen L. Fowler, Past Western Regional Vice President, Hasan School of Business, Colorado State University-Pueblo



As the DSI Board begins a new year, many of us have completed our Board service and new Board members will take up the reins of guiding DSI into the future. Congratulations to the new and continuing officers! I know I speak for all of us recently stepping off the Board when I say it has been an honor to serve DSI and we are grateful to those who elected us to our respective positions. Each of us followed a unique path to reach the Board level, be

it through the various offices held in our respective regions or affiliations, or as non-regionally affiliated DSI members. For the most part, however, my observation is that the role of the regions and geographical affiliations remain a strong incentive leading to participation in DSI at the national and international levels. Many DSI officers and program chairs have travelled the road which originated in their respective regions. The desire to remain connected to one's initial region is so strong that many DSI members have remained active in their original regions even though they have resided

geographically in alternate regions for years. The fellowship, collegiality, and genuine friendships forged in regional memberships last a lifetime and involve not only DSI members but their families as well. Given current travel budget restraints, regions have a renewed opportunity to plan affordable, regional DSI meetings to recruit new members and engage them in activities leading to national participation. On behalf of the DSI Regional Activities Committee, past and present, we encourage all DSI members to extend an invitation to colleagues in your region to join our DSI family. ■

Announcing DSI's New Journal

Supply Chain Management Research (SCMR)

The Board of Directors of the Decision Sciences Institute is pleased to announce a new journal, *Supply Chain Management Research (SCMR)*, in the broad interdisciplinary area of supply chain management, to be published by John Wiley & Sons. Ram Narasimhan (Michigan State University) and Soumen Ghosh (Georgia Tech) will be the founding co-editors-in-chief. The primary motivation for DSI to start this journal is the fact that other than a few related practitioner-oriented journals, there is currently no top-tier, scholarly journal dedicated entirely to supply chain management. Since the volume of research and researchers in supply chain management is growing rapidly, this new journal will fulfill the need for a premier outlet for publishing high quality, scholarly research in the supply chain management domain.

The mission of *SCMR* is to be the premier scholarly research journal in the cross-disciplinary area of supply chain management. To pursue this mis-

sion, *SCMR* will publish papers of the highest quality that make a significant and substantial contribution to advancing the knowledge frontier in the field of supply chain management. Papers suitable for publication in *SCMR* must demonstrate:

- Methodological rigor expected from high-quality scholarly research,
- Conceptual, theoretical, and analytical soundness,
- Significant contribution towards creating new knowledge or extending existing knowledge and theories.

SCMR will seek to publish at least four issues a year. All submissions will be double-blind refereed. The editorial board will follow the department structure, with each key area having a departmental editor. The editorial philosophy of *SCMR* is such that empirical, conceptual as well as analytical papers will be suitable for submission to the journal. Further elaboration of the

editorial policy and review system are currently being finalized. The details of the journal including the editorial board will be published on the DSI website soon. Paper submissions in electronic form will be accepted after August 31, 2009. Please direct your inquiries to one of the co-editors-in-chief. ■

Ram Narasimhan

Department of Supply Chain Management
The Eli Broad Graduate School of Management
Michigan State University
East Lansing, MI 48824, USA
narasimh@msu.edu

Soumen Ghosh

Operations Management Group
College of Management
Georgia Institute of Technology
Atlanta, GA 30308, USA
sghosh@gatech.edu

is hazardous to your wealth. The subconscious has the sensitivity and quick response one would expect of a predator reacting to anything that moves, and it is capable of inducing powerful feelings of fear and anticipation. However, the subconscious produces those reactions not only when you see a bear moving in the woods, but also when you see the markets move on your TV or computer screen. The subconscious is probably better suited to fast responses to threats and opportunities facing the animals it evolved to serve. Zweig further concludes that, while the conscious part of the brain (he calls it the “reflective” brain) is much slower and demands much more mental effort, it is far better suited to tasks concerning money. However, the subconscious is not only very fast, but it is quite powerful and can be difficult to ignore. The influence appears to take place through emotion, intuition, and through the automated release of chemicals that cause the anticipation of pleasure or pain. Zweig extensively cites the literature on research into what he calls the new field of “Neuroeconomics” to support his views. Some portions of the book report insights that may be helpful to those struggling to deal with the terrible investment climate of 2008.

One interesting issue concerns the impressive pattern recognition and forecasting capability of the human brain. Unfortunately, it produces lots of false positives, identifying patterns where none exist and projecting them into the future. This is a particular problem when dealing with markets that display a substantial amount of randomness. Zweig reports that if an event happens twice, the “reflexive” brain anticipates that it will happen again. “Three is a trend” that is projected into the future! These projections heavily discount the past in a kind of exponential smoothing routine with a high value of the alpha smoothing parameter. Further, the “reflexive” brain is much more sensitive to the size of a possible reward rather than the probability of occurrence. Probabilities, and numbers generally, are handled in the slower “reflective” brain. Even an occasional re-

ward will induce subconscious anticipation of more when similar precursors are present and will encourage the behavior that produced the reward. This response is useful in training dogs, but in people it helps to explain the popularity of slot machines. It also helps to explain why so many investors buy stocks after the market has been rising for a while and then sell their stocks after the market suffers a period of decline (the opposite of sensible behavior). Investors often have difficulty accepting their inability to predict the markets and have difficulty maintaining a diversified portfolio of stocks, bonds, and cash. The “reflexive” part of your brain may react badly when one component of your diversified portfolio declines, as is likely. However, as Zweig notes, “Selling your investments every time they take a sudden drop... will just make you poor and jittery.”

The author suggests that the “reflexive” brain be kept out of investment decisions by setting up rational decision rules at times when you are not being subjected to waves of panic or other emotional signals. This may be automated to some extent, as by setting an asset allocation for your portfolio and then rebalancing once or twice a year. The act of rebalancing forces you to sell some of the assets that have risen in value and purchase those that have fallen. In choosing your asset allocation, Zweig suggests that you not trust the schemes that claim to help you to identify your risk tolerance. He believes that your risk tolerance is sensitive to context and that you become much more sensitive to risk when markets are falling, as many of us noticed in 2008. We tend to be much more tolerant of risk when markets are rising.

There are appendices that offer some relatively conventional financial planning advice including: Use mutual funds with low expense ratios and low turnover rates, use index funds. The argument for using index funds is very strong as the financial markets really are quite efficient, as we tell our MBA students. Prices set by free markets are essentially impossible to predict in the short term.

This is an excellent book on a branch of decision sciences that is not usually taught in business schools. It is also highly entertaining. I recommend it. I particularly enjoyed the chapter on “Happiness” that explains why people who pass age 65 (having recently crossed that boundary myself) tend to be more satisfied than younger folks. Zweig quotes Robert Browning on this topic:

Grow old along with me!

The best is yet to be,

The last of life, for which the first was made.

I expect to turn over the Bookshelf feature to someone else shortly. It has been an honor and a privilege to carry this responsibility for my colleagues in DSI. Best wishes to all. ■

SEDSI, from page 21

ficers. (Both sets of documents are now posted on our web site.) Among his many other contributions, he served on the strategic planning committee for regions at the Institute level. Carper is one who effectively acts and follows through on his ideas and suggestions for SEDSI and is truly deserving of this award.

The 3rd Annual SEDSI Invitational Golf Tournament was held prior to the conference at Rivertowne Country Club in Mt. Pleasant, S.C. The winning team included **Barry Pfitzner** and **Steven Lang**, both from Randolph-Macon College, and **Carey Cole** of James Madison University. This tournament has become a popular pre-conference event which welcomes golfers of all levels; next year we look forward to an even greater turnout in Wilmington, N.C!

Next year our meeting will be held February 17-19 at the Hilton Wilmington Riverside in Wilmington, N.C. Please join us for a great meeting! Remember that we welcome participants from all regions, and Wilmington is a great place to be in February. So, we look forward to seeing you there! For more information, please see our website at <http://www.sedsi.org/> ■