



Broad College of Business
MICHIGAN STATE UNIVERSITY

BROAD RESEARCH REVIEW

SUMMER 2025

Dear Spartans and friends,

At the Eli Broad College of Business at Michigan State University, our faculty are at the forefront of creating meaningful impact through innovative, high-impact research. We're excited to share the Summer 2025 edition of the *Broad Research Review*, which showcases the latest faculty publications in strategically targeted academic journals. This issue highlights research that addresses some of the most critical challenges facing today's business world, including employee perceptions of organizational support, audit committee quality and effectiveness, the valuation of intangible assets, frameworks for global business operations, the role of SEC communications, and how major events influence organizational dynamics. As an AAU and Carnegie R1 research institution, the research mission at MSU and the Broad College is central to our identity. We hope you enjoy these recent scholarly contributions from our faculty in some of the world's most prestigious journals. Whether you're leading in industry, government, or academia, we hope you find insights that resonate with your experience and inspire Spartan pride.

If a friend shared this issue with you, be sure to [subscribe](#) to receive future editions directly to your inbox.

Warm regards,

John Hollenbeck

Associate Dean for Research and

Natalie DeVolder

Research and Program



How a New Model Helps Organizations Better Support Their Employees

Understanding how employees perceive organizational support is crucial in today's dynamic workplace. Through six comprehensive studies involving over 1,800 participants, MSU Foundation Professor of Management **Russell E. Johnson**, former Eli Broad College of Business Associate Professor of Management **D. Lance Ferris**, Organizational and Human Resource Management alum **James Matusik**, and colleagues developed and validated a 24-item scale capturing several discrete support dimensions. Findings reveal that each support type uniquely influences employee well-being, notably affecting burnout levels and even extending impacts into personal life. For managers and HR professionals, this measure offers a strategic tool to assess and enhance support mechanisms, ensuring interventions align with employees' perceptions and needs. By tailoring support initiatives accordingly, organizations can foster a more resilient and engaged workforce.

Matusik, J. G., Poulton, E. C., **Ferris, D. F., Johnson, R. E.**, & Rodell, J. B. (2024). The PCMT model of organizational support: Scale development and theoretical application. *JOURNAL OF APPLIED PSYCHOLOGY*, 109, 1059-1076.

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Implications of Risk Oversight Assignments for Audit Committee Effectiveness

Corporate boards are increasingly expanding the oversight duties given to audit committees, which has given rise to concern by directors that audit committees may be overloaded with too many tasks. A new study by Assistant Professor **Musaib Ashraf** in the Department of Accounting and Information Systems addresses this important issue – are audit committees being overloaded with too much work? Empirically analyzing businesses whose audit committees perform traditional financial reporting oversight and non-traditional risk management oversight, Dr. Ashraf and his coauthors find a notable decline in the accuracy of financial reports when audit committees are asked to perform oversight over non-traditional functions. These findings suggest that firms may be overburdening audit committees, and such overburdened committees may struggle to maintain the high level of diligence expected of them. For businesses, boards, shareholders, and regulators, this study underscores the importance of carefully balancing committee workloads. If boards are interested in preserving the integrity of financial reporting, they should consider allowing the audit committee to focus on overseeing financial reporting risks rather than non-financial reporting risks.

Ashraf, M; Choudhary, P; Jaggi, J. (2024). Are Audit Committees Overloaded? Evidence from the Effect of Financial Risk Management Oversight on Financial Reporting Quality. *MANAGEMENT SCIENCE*, 70(12), 8414-8447.

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Revisiting the Value Factor Through the Lens of Intangible Capital

In today's knowledge and service-based economy, intangible assets like brand value, intellectual property, and human capital play a pivotal role in a company's success. However, traditional financial models often overlook these off-balance-sheet (OBS) intangibles, leading to inaccuracies in assessing firm performance. This study by Assistant Professor in the Department of Finance **Morad Zekhnini** and colleagues shows that by adding intangible assets to well-known models used to understand stock returns, researchers can explain company performance much more accurately. When these hidden factors are included, older investing ideas, like choosing “value” stocks, start to make sense again. For investors and analysts, these findings suggest a need to reconsider how firm value is assessed. Incorporating intangible assets into evaluation frameworks provides a more accurate and comprehensive understanding of a company's long-term potential.

Gulen, H; Li, DM; Peters, RH; **Zekhnini, M.** (2025). Intangible Capital in Factor Models. *MANAGEMENT SCIENCE*, 71(2), 1756-1778.

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Wealthier Audit Partners Deliver Higher-Quality Audits

What drives audit quality—firm-level structure or individual accountability? In the U.S., audit quality discussions have long focused on firm-level characteristics (e.g., Big 4 vs. regional firms), in part because individual audit partners' identities were undisclosed until 2017. However, international research shows that engagement partners can substantially influence audit outcomes, though the partner attributes driving this variation remain unclear. This study, by Broad College accounting professor **John X. Jiang** (with coauthors Shaohua He and MSU Ph.D. graduate Philip Wang), finds that U.S. audit partners' personal wealth—proxied by the market value of their homes—is positively associated with audit quality, even after controlling for client firm characteristics, metropolitan area, audit firm affiliation, and partner tenure. The authors identify two mechanisms: wealthier partners may have more to lose, strengthening their incentives to avoid audit failures, and wealth may also signal competence, reflecting compensation earned from consistently strong performance. These findings support the PCAOB's initiative to disclose audit partner identities by showing that partner-specific attributes—if made visible—can provide investors with meaningful signals of audit quality. Please note that this article is open access, and the full text is available at the link below.

Jiang, J. X., He, S., & Wang, K. P. (2024). Partner wealth and audit quality: Evidence from the United States. *Review of Accounting Studies*, 30(1), 702-737.

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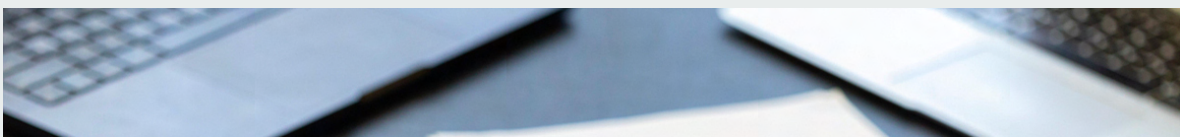


Innovative Paths to Sustainable Global Business Practices

As global challenges like environmental degradation and resource scarcity intensify, businesses are rethinking traditional models. A new study by Eli Broad Professor in the Department of Marketing **G. Tomas M. Hult**, Associate Professor in the Department of Marketing and Interim Chairperson **Forrest V. Morgeson III**, and colleagues introduces the concept of sustainable international business model innovations (SIBMIs) within the framework of a globalizing circular economy. By analyzing models such as circular inputs, sharing platforms, product-as-a-service, product use extension, and resource recovery, the authors provide a comprehensive framework for firms aiming to align profitability with sustainability. For international businesses, this means embracing flexibility and innovation to meet sustainability goals while maintaining competitive advantage. The study offers actionable insights and a roadmap for organizations seeking to thrive in an increasingly circular and interconnected global economy.

Chabowski, B. R., Gabrielsson, P., **Hult, G. T. M.**, & **Morgeson, F. V., III.** (2023). Sustainable international business model innovations for a globalizing circular economy. *Journal of International Business Studies*, 56(3), 383-402.

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Understanding the Broader Impact of SEC Communications

When the Securities and Exchange Commission (SEC) issues letters to companies about their financial disclosures, the insights gained don't just stay with the recipient. This study by Associate Professor in the Department of Accounting and Information Systems **Ken Bills** and colleagues reveals that auditors, privy to these letters, often share the SEC's perspectives across their client base. As a result, even companies that haven't received direct SEC feedback may adjust their reporting practices, especially concerning goodwill impairments. The research highlights that this dissemination is most pronounced within audit offices serving clients in the same industry, suggesting that auditors play a pivotal role in spreading regulatory expectations. Rather than isolated regulatory nudges, SEC communications can spark widespread shifts in disclosure practices. Engaging proactively with auditors can help firms stay ahead in compliance and reporting accuracy.

Bills, K. L., Cating, R., Lin, C., & Seidel, T. A. (2023). The spillover effect of SEC comment letters through audit firms. *Review of Accounting Studies*, 30(1), 311-351.

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The Role of Events in Shaping Organizational Dynamics

In an age marked by significant disruptions, be it global pandemics, social movements, or technological upheavals, understanding the impact of events on organizations has become paramount. This article by Eli Broad Professor of Management **Frederick P. Morgeson** and colleagues describes an event-oriented approach to organizational research, emphasizing the need to study events as catalysts for change rather than just background conditions. The authors highlight the importance of integrating temporal and spatial dimensions into event analysis, encouraging scholars to consider how events unfold over time and across different organizational levels. This perspective offers practical implications for leaders navigating an increasingly eventful organizational landscape.

Morgeson, F. P., Liu, D., Cannella, A. A., Hillman, A. J., Seibert, S. E., & Tushman, M. L. (2025). This is an eventful era: Exploring event-oriented approaches to organizational research. *Journal of Management*, 51(3), 953-966).

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