



The Menard Family Initiative seeks to further our understanding of the free market and the political, economic, financial, and social institutions that guide the working of the same.

Menard Family Initiative Entrepreneurship Research Conference
October 9th-10th, 2024

Date and Time	Subject	Location/Details
<i>Wednesday, October 9th</i> 10:15 am	Opening Remarks	Great Hall – Cleary Alumni Center Dean Taggert Brooks
10:30-11:45 am	Academic Session 1	Great Hall – Cleary Alumni Center Presenting: Alicia Plemmons, West Virginia University “Unintended Consequences from Barriers to Entrepreneurship: The Effects of Licensing on Establishment Behavior and Quality” Shishir Shakya, Appalachian State University “Regional Institutional Quality and Job Creation among Early Startups in the United States” Israt Jahan, UW – La Crosse “Ideology and Innovation: How Political Views Influence Entrepreneurial Activity”
1:00-2:00 pm	Poster session/fellow presentations	Great Hall – Cleary Alumni Center Visionary Ventures
2:00-2:15 pm	Break	
2:15-3:30 pm	Academic Session 2	Great Hall – Cleary Alumni Center Presenting: Robert Reardon, Florida Atlantic University “Anchors or Sails? Navigating Crowdfunding Strategies and Their Long-Term Impacts” Pedro Monteiro, Scranton University “Mapping the Influence: Investment Characteristics of American Sovereign Wealth Funds in Private Equity” Jue Wang, University of Massachusetts – Amherst “The Ethics of Profit Optimization: Hidden Fees and Strategic Listings in Peer-to-Peer Lending”

		Anup Nandialath, UW – La Crosse “Navigating the Glass Cliff: Stock Market Reactions to Female CEO Terminations”
3:30-4:00 pm	Break	
4:00-5:15 pm	Keynote 1: Chris Boudreaux – Florida Atlantic University	Great Hall – Cleary Alumni Center “Institutions and Entrepreneurship”
<i>Thursday, October 10th</i> 10:30-11:45 am	Academic Session 3	Great Hall – Cleary Alumni Center Presenting: Colin O’Reilly, Creighton University “A Practical Measure of Red Tape: Excess Regulation and Entrepreneurship at the US State Level” Juliana Binhote, University of Louisville “The Impact of Parents’ Work-Life (Im)Balance on Family Firms’ Continuity” John Nunley, UW – La Crosse “The Impact of Automation Technologies on Business Startups”
1:00-2:15 pm	Break	
2:15-3:30 pm	Entrepreneurship Panel	Great Hall – Cleary Alumni Center Innovate Together: Building Bridges Between Research and Business Panelists: Chris Wysong – Bucket of Bread LLC Debra Stangel – The Wedding Tree Christopher Boudreaux -Florida Atlantic University Frank Fossen - University of Nevada-Reno

4:00-5:15 pm	Keynote 2 – Frank Fossen, University of Nevada-Reno	Great Hall – Cleary Alumni Center “The Impact of AI on Entrepreneurship and the Future of Work”
5:15-6:30 pm	Closing Reception	Great Hall – Cleary Alumni Center

Detailed agenda on next page.

Detailed Agenda: MFI Entrepreneurship Conference

All events take place in Great Hall – Cleary Alumni Center

Wednesday, October 9th

Opening Remarks: 10:15 AM, offered by Dean Taggert Brooks

Academic Session 1: 10:30-11:45 AM

Alicia Plemmons (West Virginia University)

Title: Unintended Consequences from Barriers to Entrepreneurship: The Effects of Licensing on Establishment Behavior and Quality.

Co- Authors: Darwyn Deyo (San Jose State University), and Walker Rhine (Unaffiliated- grad student between programs)

Abstract: Occupational licensing is a legal barrier which restricts entry into labor markets based on the argument that it protects the public from low-quality providers. Although the monopoly effects of licensing are generally understood for specific industries, we combine business license data from over 15 million U.S. establishments with consumer ratings data to provide the first combined empirical analysis of establishment, employment, and quality effects from occupational licensing. Our study also creates two novel crosswalks to analyze the per capita number of establishments and employment for 38 occupation-industry pairs. We find that, overall, licensing is associated with fewer per capita establishments within a state, although there are some industries in which licensing requirements may cause workers to self-employ and work as contractors rather than as full-time employees, such as locksmiths, massage therapists, and tree trimmers. We identify differential effects from licensing by type of industry and employment. First, establishments in licensed industries with more self-employment have fewer employees, signaling higher rates of entrepreneurship. Second, establishments in licensed industries with less self-employment have more employees, signaling barriers to entrepreneurship and greater industry agglomeration. Finally, we measure whether licensing requirements are associated with higher quality, as measured by consumer ratings, and find that licensing is not generally associated with higher quality, despite industry concentration and agglomeration effects. Overall, we find that occupational licensing leads to net losses to entrepreneurship opportunities through market distortions and barriers to entry.

Shishir Shakya (Appalachian State University)

Title: Regional Institutional Quality and Job Creation among Early Startups in the United States

Co-Authors: Alicia Plemmons (West Virginia University)

Abstract: We examine how institutional quality, measured by economic freedom, government spending, taxes, and labor market regulations, affects startup job creation in the US. Using data from the Economic Freedom of North America and the Kauffman Foundation, and a cluster-robust machine learning method, our findings suggest that policymakers should reduce labor market barriers to boost entrepreneurial job growth rather than focus on government spending or taxes.

Israt Jahan, University of Wisconsin – La Crosse

Title: Ideology and Innovation: How Political Views Influence Entrepreneurial Activity

Co-Authors: Amir Tayebi (University of Wisconsin – La Crosse)

Abstract: This study examines how political attitudes influence entrepreneurial behavior across different contexts. Using regression analysis, we leverage data from the World Value Survey (WVS) on political affiliations, perceived government support, regulatory environments, and entrepreneurial outcomes from various sources. Our analysis expects to show that individuals with pro-market and economically liberal views are more inclined to engage in entrepreneurial ventures, driven by a preference for reduced regulation and greater economic freedom. Conversely, those with progressive political leanings are anticipated to favor socially responsible and sustainable business models, motivated by concerns over inequality and social justice. We hypothesize that political ideology plays a critical role in shaping the entrepreneurial landscape, affecting not only the types of ventures initiated but also perceptions of risk and reward. This research aims to deepen the understanding of the relationship between political ideology and economic activity, providing policymakers with valuable insights for promoting entrepreneurship in politically diverse environments.

Student Poster Session: Visionary Ventures: 1:00 – 2:00 PM

Break: 2:00 – 2:15 PM

Academic Session 2: 2:15-3:30 PM

Robert Reardon, Florida Atlantic University

Title: Anchors or Sails? Navigating Crowdfunding Strategies and Their Long-Term Impacts

Co-authors: None, My Affiliation is Florida Atlantic University

Abstract: There are two fundamental ways of matching money with talent: lending and investment. Securities-based crowdfunding offers a financial marketplace that aggregates information, connecting entrepreneurs with individuals who can provide these forms of capital. This research examines the long-term outcomes of U.S. regulation crowdfunding campaigns, focusing on how the initial choice of equity versus debt financing influences the likelihood of securing follow-on venture capital (VC) investment and achieving successful exits. By analyzing a comprehensive dataset of crowdfunding campaigns, we reveal that VCs prefer equity financing,

which aligns interests and shares risk. In contrast, debt financing may introduce financial burdens, such as repayment obligations and reduced financial flexibility. These findings provide a first look at the post-campaign trajectories of U.S. crowdfunding firms, highlighting the critical role of security type choice in driving these outcomes.

Pedro Monteiro (University of Scranton)

Title: Mapping the Influence: Investment Characteristics of American Sovereign Wealth Funds in Private Equity

Co- Authors: Douglas Cumming (Florida Atlantic University)

Abstract: This paper explores the private equity activities of American Sovereign Wealth Funds, focusing on direct and indirect investments as limited partners. It analyzes investment characteristics, geographic reach, and industry impacts, highlighting trends in capital allocation and strategic shifts. The study also reflects on recent calls for a national U.S. sovereign wealth fund, backed by former President Trump and President Biden, emphasizing the rising interest in these funds for economic strategy. The findings offer insights into the evolving influence of American Sovereign Wealth Funds in the global market.

Jue Wang

Title: The Ethics of Profit Optimization: Hidden Fees and Strategic Listings in Peer-to-Peer Lending

Co-authors: **Wenyao Hu** (New York Institute of Technology, whu14@nyit.edu) and **Jue Wang** (University of Massachusetts Amherst, juewang@umass.edu)

Abstract: In this paper, we discover the unethical implications of loan listing strategies on the P2P Marketplace. We demonstrate that the P2P Lending platform, Prosper, displays 40% of all loans within the first minute of listing and charges higher fees for these loans compared to others. Our analysis reveals that Prosper intentionally lists higher-fee loans first to maximize revenue, raising significant ethical concerns. The strategy is more pronounced for loans with higher funding probabilities, such as those with small amounts, short terms, and high credit scores. Furthermore, borrowers with first-minute loans are less likely to request another loan on the platform, indicating awareness of these potentially exploitative practices. Our findings highlight the need for increased transparency and regulatory oversight in the P2P lending market to protect borrower rights and ensure fair treatment.

Anup Menon Nandialath (University of Wisconsin – La Crosse)

Title: Navigating the Glass Cliff: Stock Market Reactions to Female CEO terminations

Co-Authors: Gurdeep Singh Raina (University of Texas Permian Basin), Arvin Sahaym (Washington State University)

Abstract: While extensive research has explored the relationship between CEO appointments and stock returns, little is known about the effects of CEO dismissals on stock performance—particularly when female CEOs are dismissed for performance-related reasons. Building on the “glass cliff phenomenon,” we argue that female CEOs are perceived as unique organizational assets, and their dismissal is seen as a significant loss, resulting in more negative market reactions and lower cumulative abnormal returns compared to male CEOs. However, when female CEOs are dismissed for performance reasons, the market reacts positively, leading to higher cumulative abnormal returns. Analyzing data from 909 CEO dismissals in the US between 1992 and 2020, we find that investor reactions differ for female CEOs based on dismissal reasons. This study contributes to both the literature on CEO dismissals and the upper-echelon theory.

Break: 3:30 -4:00 PM

Keynote 1: Christopher Boudreaux – Florida Atlantic University

Title: Institutions and Entrepreneurship

Thursday, October 10th

Academic Session 3: 10:30 to 11:45 AM

Colin O’Reilly (Creighton University)

Title: A Practical Measure of Red Tape: Excess Regulation and Entrepreneurship at the US State Level

Co-Authors: Dustin Chambers (Salisbury University)

Abstract: Regulation can influence economic dynamism and the distribution of income. Despite a substantial proportion of regulation in the United States originating at the state level, we are not aware of any comprehensive measure of excess regulation or “red tape” at the state level. We fill this notable gap by constructing a measure of state level red tape based on the State RegData dataset. The red tape index measures the excess stringency of regulation in each industry relative to a benchmark level of regulation and then weights the extent of excess stringency based on the industrial composition of each state. The red tape index reveals that most states have regulation on the books that goes beyond a so-called “light touch” regulatory approach, which implies that red tape is pervasive. The index may be of value for empirical analysis of the effect on state level regulation on outcomes and for policy makers deciding on regulatory policy. We show that the red tape index is correlated with state level measures of entrepreneurship and dynamism.

Juliana Binhote (University of Louisville)

Title: The Impact of Parents’ Work-Life (Im)Balance on Family Firms’ Continuity

Abstract: One of the biggest challenges faced by family firms is succession between generations and the continuity of the family firm. Although studies have examined multiple contributing factors for intra-family successful succession, the particular aspect of how the work-life balance of previous generations of family firms and how its lessons are transmitted may affect the willingness of the next generation to join the family firm has been largely unstudied. Drawing on 17 in-depth interviews, we investigate how next-generation members perceive and evaluate the WLB of the founding generation, how their evaluation impacts their own WLB goals, and, ultimately, how those influences impact their intentions to join the family firm. A follow-up study with next-generation members and their spouses points out the effects of WLB goals and three succession avenues in family firms. In addition to the theoretical contributions to the OB and FB literature, this study has important implications for practice to the continuity of family businesses.

John Nunley

Title: The Impact of Automation Technologies on Business Startups

Co-Authors: Nabamita Dutta (UW-La Crosse), R. Alan Seals (Auburn), and Adam Stivers (UW-La Crosse)

Abstract: Automation technologies can affect business startups in different ways. Efficiency may improve due to the reduction in workers performing repetitive tasks; costs may be lower due to less need for staff; errors may be reduced; and scalability can be enhanced. We study the impact of automation technologies on the quantity and quality of business startups. The automation measures employed in our analysis include those based on employment shares that capture exposure to general automation as well as exposure to industrial robots across US labor markets. Preliminary evidence suggests that increases in automation, both general and specific measures tend to increase both the quantity and quality of business startups.

Break 1:00 – 2:15 PM

Entrepreneurship Panel Discussion 2:15 – 3:30 PM: Innovate Together: Building Bridges Between Research and Business

Panelists: Chris Wysong – Bucket of Bread LLC, Debra Stangel – The Wedding Tree, Christopher Boudreaux -Florida Atlantic University, and Frank Fossen - University of Nevada-Reno.

Keynote 2: Frank Fossen, University of Nevada-Reno 4:00 – 5:15 PM

Title: The Impact of AI on Entrepreneurship and the Future of Work

Thank you for your time, we appreciate your support!