Steven E. Abraham 2008
Research Interests

I hold a Ph. D. in industrial relations from the University of Wisconsin-Madison and a J.D. from New York University School of Law. By virtue of my academic training, I consider myself to be an inter-disciplinarian, capable of doing research that brings together several different fields. My primary research interest is the interrelationship between law (legal issues) and employment, but I have published and or presented other interdisciplinary work as well.

Much of the research that focuses on the law-employment relationship to date has been normative or descriptive, and I too have a number of papers that deal with issues related to law, business and society in this nature. What makes my research unique, however, is that I often investigate the law and employment relationships empirically. The empirical technique I have utilized most often is the event study design, a methodology that determines the impact of "events" on the value of firm stock prices. For example, when used to assess the impact of legislation, event study methodology treats the passage of the legislation as an "event," and compares firm stock prices that would have been expected in the absence of the legislation with the actual prices that occurred when information about the legislation was revealed to the investing public. A finding that the actual stock prices were higher (lower) than would have been expected in the absence of information about the legislation indicates that the information revealed something about the legislation that was beneficial (detrimental) to the firms and their shareholders. My dissertation: *The Impact of the Taft-Hartley Act on the Balance of Power in Industrial Relations* used the event study, and an article based on my dissertation was published in the *American Business Law Journal* (Vol. 33 No. 3 (1996): 1-31). *American Business Law Journal* is the most respected double-blind refereed law journal/review and my article in ABLJ has been cited several times.

I have investigated the effects of other laws using event study methodology as well. One of the legal doctrines that interests me most is the employment-at-will doctrine. Employment-at-will is a state specific doctrine that has been treated very differently by the states. I have used the event study to investigate employment-at-will in three different publications. In 1995, I was awarded a summer fellowship by the Graduate College at the University of Northern Iowa for a project that investigated the effects of the Montana Wrongful Discharge from Employment Act with the event study. The empirical results showed that the Act was quite beneficial to employers operating in Montana, helping to resolve a disagreement among academics about the effects of wrongful discharge legislation. A paper based on that project entitled "Can a Wrongful Discharge Statute Really Benefit Employers?" appears in *Industrial Relations* (Vol. 37 No. 4 (1998): 499-518). *Industrial Relations* is generally regarded as one of the two leading journals in the field of industrial relations. "The Impact of the Employment Protection Act: Another 'Wrongful Statute that Benefits Employers?" looks at a law passed in Arizona that treats employment-at-will that appears in *Employee Rights and Employment Policy Journal* (forthcoming, 2008). Finally, in "Employment-at-Will: A Tale of Two States," (*Managerial*

Law, Volume 46, No. 6 (2004): 3-19) I utilize event study methodology to show that firm stock prices rose in response to the leading employment-at-will decisions in New York and fell in response to the leading decisions in California. Since New York is known as being very "pro-employer" in its employment-at-will decisions and California is known as being very "pro-employee," this work, demonstrates the importance of employment-at-will specifically, as well as the importance of judicial decisions in general.

In another publication entitled "Right-to-Work Laws: New Evidence from the Stock Market" (*Southern Economic Journal*, Vol. 67, No 2 (2000): 345-362), a colleague and I investigated the effects of Right-to-Work laws passed in Louisiana and Idaho (The colleague, Professor Paula B. Voos, a professor in the Labor Studies Center at Rutgers University, is a leading expert in the field of industrial relations). This paper, showing that the Act did benefit shareholders (employers) in both states, will help resolve another long-standing debate, since researchers disagree over whether right-to-work laws have any empirical effects.

Another controversial issue in employment that has received a great deal of attention over the years is the attempt by firms to force their non-union employees into arbitrating employment disputes rather than litigating them in the courts. In "The Ramifications of the Gilmer Decision for Firm Profitability," *Employee Rights and Employment Policy Journal*, Vol. 4 No. 2 (2000): 341-363, Professor Voos and I investigate the question of whether forcing their employees to arbitrate their employment-related disputes benefits firms by applying event study methodology to Gilmer v. Interstate/Johnson Lane Corp., the Supreme Court case that first allowed employers to require their employees to use arbitration (ADR) rather than litigation. This article concludes that the implementation of binding ADR does benefit firms, since stock prices rose in response to the Gilmer decision. I was invited to present a slightly different version of this paper at the Workshop on Labor and Employment Law, NYU School of Law (October 24, 2000) and the paper presented at the workshop was published as well ("Empirical Data on Employer Gains from Compulsory Arbitration of Employment Disputes," with Paula Voos, *NYU Selected Essays on Labor and Employment Law, Vol II.* (2003): 197-216).

My most recent publication using event study methodology, "Investors' Assessment of California's Health Insurance Act of 2003, with Paula B. Voos, forthcoming, *Industrial Relations* (2008) looks at the market's response to a statute passed in California (overridden by the voters) that would have required employers to provide medical insurance for their employees. We found that, while the law was detrimental for employers, it was not as detrimental as some might have thought. This confirmed the contention by many that employers often pass off to customers the cost of medical insurance for their employees.

Finally, a very different publication is entitled "Using Events Study Research in a Legal Environment of Business Course" *Journal of Legal Studies Education*, Vol. 17, No. 1 (1999): 57-90, a pedagogical piece in a refereed journal that discusses how event study methodology can be utilized by instructors in a Legal Environment of Business course. This work goes through the different topics that are part of the typical Legal Environment of Business syllabus and explores the ways to use articles that employ event study methodology to teach those topics more effectively.

In an empirical work using a methodology other than the event study, I co-authored a paper published in *Law and Society Review* (1992) entitled "Professional Construction of Law: The Inflated Threat of Wrongful Discharge," *Law & Society Review*, Vol. 26 No. 1 (1992): 47-83. The article is a comparison of the actual risk wrongful discharge poses to employers with the portrayal of that risk in academic journals (this comparison is made by calculating percentage of cases won by employees, size of jury awards, etc .). We first present an analysis of the actual risk presented by the doctrine. Then, through an analysis of articles in professional personnel and law journals, we show that there is a striking disparity between the actual threat posed by the doctrine and the threat as constructed by personnel and legal professionals. We conclude by discussing how the interests of personnel professionals and practicing lawyers would lead them to inflate the threat of law affecting employers.

As mentioned above, I have investigated descriptively the relationship between law and employment as well. While many employment law topics interest me, I am especially intrigued by the legal doctrine known as employment-at-will. Several of the empirical publications that I have discussed above deal with employment-at-will. In addition I co-authored a theoretical/non-empirical paper on employment-at-will with Dr. Alfred Ntoko, currently the Dean at Kean University in New Jersey. Many academics have assessed the economic effects of employment-at-will, and argue that employment-at-will is beneficial for "the firm." Dr. Ntoko and I explicate that, even if employment-at-will is "efficient" in the firm as a unified entity (i.e., the owner managed firm), it may not be efficient in the corporation, due to differences in the ownership structures of corporations and owner-managed firms. This work, "Additional Costs of Employment-at-Will in the Publicly Held Firm," appears in the *Journal of Business Economic Research.* Vol. 2, No. 1 & 2 (1999): 77-90.

I also have published a number of works that deal with the labor law aspect of employment law (labor law dealing specifically with unions and management). My first publication was "NLRB Jurisdiction of Secondary Boycotts: ILA v. Allied International, Inc., A Missed Opportunity for the Supreme Court to Reevaluate Mobile." (*New York University Journal of International Law and Politics*, Vol. 15, No.2 (Winter, 1983): pp. 393-434). This work analyzes and critiques a particularly important Supreme Court decision. "How the Taft-Hartley Act Hindered Unions" (*Hofstra Labor Law Journal* (1994): 1-37) is a commentary that treats the Taft-Hartley Act descriptively, discussing the sections that are most detrimental to unions. What makes this work unique is that I support my contentions about which sections of the Act harmed unions with existing empirical literature. My pieces on the Taft-Hartley Act have been widely cited, even by Ralph Nader in a labor day speech http://www.commondreams.org/news2001/0903-01.htm).

Another aspect of traditional labor law that interests me greatly is the treatment of supervisory employees under the National Labor Relations Act. I have several papers on this topic as well. “The Supervisory Exclusion Under the NLRA” *Working U.S.A.*, Vol. 6, No. 1, (2002): 77-94 is a descriptive piece that discusses the Supreme Court's treatment of §2(11) of the NLRA (the section that deals with supervisors). In this work, I conclude that the Court's treatment of "supervisors" under the Act is inconsistent with legislative intent. In addition, I was involved in a major project (along with Professor Voos) that led to one conference presentation ("Impact of Supreme Court Supervisory Status Decisions Under the NLRA," with Paula B. Voos and Adrienne Eaton, AFL-CIO/Michigan State conference on worker rights (October 11-12, 2002)), a chapter in a book published by Upjohn, Inc. ("Supreme Court Supervisory Status Decisions and Their Impact on the Organizing of Nurses," with Adrienne E. Eaton and Paula B. Voos, in *Justice on the Job: Perspectives on the Erosion of Collective Bargaining in the United States, ed.* by Richard Block, Sheldon Friedman, Michelle Kaminski, and Andrew Levin, Upjohn (2006): 165-189) and an article in the *Journal of Labor Research* ("The Market's Reaction to Two Supreme Court Rulings on American Labor Law" with Paula Voos, *Journal of Labor Research*, Vol. XXVI, No. 4. (Fall 2005): 677-687). That project treats two Supreme Court decisions on the supervisor issue (NLRB v. Health Care retirement Corp., 511 U.S. 571 (1994) and NLRB v. Kentucky River Community Care, 121 U.S. 1861 (2001) and examines the impact of those cases from a number of perspectives. We look at how those decisions have influenced union organizing in the health care filed, how NLRB decisions have changed in response to the Court's decisions and how investors responded (another event study piece).

I have two publications (one a conference proceeding and one a refereed journal) that deal with Canadian Labor Law. It is well known that unionism is much higher in Canada than in the United States, despite the similarities between the two countries. "Changes in Canadian Labor Law and U.S. Labor Law Reform," with Paula Voos (Industrial Relations Research Association, Proceedings -- Proceedings of the Forty-Eighth Annual Meeting, Vol. 48 (1996) 194-200), discusses why Canadian unions fare so much better than their counterparts in the U.S. "Relevance of Canadian Labor Law to U.S. Firms Operating in Canada," (*International Journal of Manpower*, Vol. 18 No 8 (October 1997): 662-674) is a treatment of the laws in several Canadian provinces that are different from U.S. labor law written to help firms with operations in the two countries reconcile the differences in laws of the two countries.

I have co-authored two refereed journal articles that deal with collective bargaining and technological change: "Bargaining Over New Technology: Possible Effects of Removing Legal Constraints," with Bart Finzel, *Journal of Economic Issues* (Vol.XXX No. 3 (September 1996): 777-795) and "New Technology in Unionized Firms: Advantages of Mandatory Bargaining," with Bart Finzel, (*Employee Responsibilities and Rights Journal*, Vol. 10, No. 1 (1997): 37-48)). Both papers treat the possible consequences to employers, employees and unions if management bargains with unions prior to implementing technological change. I presented a third paper that deals with the effects of the NLRA on technological change at Informs - TMS Invited Session, (1999). "The Legal Limitations to Self-Directed Work Teams in Production Planning and Control," with Michael S. Spencer, (*Production and Inventory Management Journal*, Vol. 39 No. 1 (1998): 41-45) is another interdisciplinary work treating the NLRA as applied in a novel context. Specifically, it discusses legal guidelines for managers to use in the development and use of self-directed work teams (i.e., TQM, quality circles, etc).

Three of my most recent projects, all of which were done with Barry A. Friedman, a colleague here at SUNY-Oswego, also involve unions and unionization. "The Impact of Union

Membership on Intent to Leave: Additional Evidence on the Voice Face of Unions," *Employee Responsibilities and Rights Journal*, Vol. 17, No. 4 (December 2005): 201-213 investigates the impact of union membership on employees' intent to leave their firms. Our finding that union membership reduces employees desire to leave their firms supports the theory that the "collective voice" that unions provide to employees is beneficial for firms. "The Relationship among Union Membership, Facets of Satisfaction and Intent to Leave: Further Evidence on the Voice Face of Unions," forthcoming in *Employee Responsibilities and Rights Journal*, explores the benefits of the "voice" provided by unions' in more detail. Finally, in "Factors Related to Employees' Desire to Join and Leave Unions," *Industrial Relations*, 45, No. 1 (Jan. 2006): 102-110, we attempt to compare the factors that induce nonunion employees to want to join unions with the factors that explain unionized employees' desire to leave their unions.

Apparently, my work on labor law has been noticed by experts in the field. My article in *Production and Inventory Management Journal* received a "Citation of Excellence" from Anbar Electronic Intelligence awarding one of my articles the "Highest Quality Rating." In addition, in June 1998, my work on the Taft-Hartley Act induced the *Routledge Encyclopedia of International Political Economy* to invite me to contribute an article on the Taft-Hartley Act. My article in *Hofstra Labor Law Journal* was summarized and disseminated in a Newsletter promulgated by "Essential Information" ("A Ralph Nader-founded non-profit organization which works to focus public attention on issues of corporate accountability"). Dushkin, a division of McGraw-Hill publishing company has used my piece on self-directed work teams in its "Annual Editions – Production and Operations Management" every year since 1999/2000. Finally, a number of my publications have been cited in abstracts on the Internet (http://www.ssrn.com): Employment and Labor Law Abstracts, Number 6 (April 14, 1998) (Editor: J. Hoult Verkerke) (published by the Legal Scholarship Network) and Labor Abstracts, Volume 3 Number 8 (May 20, 1998) (Editors: Michael Gibbs, Marshall School of Business University of Southern California and Edward Lazear, Graduate School of Business Stanford University) (published by the Economics Research Network).

Another theme that fits appropriately within my overall research agenda is total quality management ("TQM"). "Application of Total QualityManagement Techniques to Law Office Management," with Michael S. Spencer and Eloise Monk, looks at the applicability of TQM, a practice used with great success in the production manufacturing field, to law firms. This work was presented at the Fourth International Meeting of Decision Sciences Institute in July, 1997 and published in the conference proceedings. "Total Quality Management: Applicability to Law Firms," with Michael S. Spencer and Eloise Monk, *International Journal of Quality and Reliability Management*, Vol 15, No. 5 (1998): 541-554 is a paper in a refereed journal that is based on the same study that was presented at the DSI. Dr. Spencer and I have also explored the applicability of TQM to products liability cases. "Products Liability and Total Quality Management: A Case Study," with Michael S. Spencer and Melissa M. Ostby, (Proceedings of the Allied Academies (April 1998): 55-62) is a case that we wrote and I presented at the Allied Academies Conference in April 1998 (the paper was published in the proceedings following the conference) A similar case appears in the *Journal of the International Academy for Case Studies*: "McKenzie v. S K Tool Corp.: An Application of Total Quality Management to Products

Liability," *Journal of the International Academy for Case Studies.*, Vol. 4, No. 1 (1998): 69-72 and "McKenzie v. S K Tool Corp.: An Application of Total Quality Management to Products Liability," *Journal of the International Academy for Case Studies: Special Edition Instructors' Notes*, Vol. 4, No. 3 (1998): 186-193. "Using TQM to Prevent Product Liability Lawsuits," is another paper with Michael S. Spencer, that was published in *National Productivity Review*, Vol. 19, No. 1 (1999): 33-38.

Finally, I have written two works involving layoffs (downsizing). "Layoff Announcements and Employment Guarantee Announcements: How Do Shareholders Respond?" is an event study investigation into the impact of both layoff announcements and employment guarantee announcements on firm stock prices. This was presented at the annual Industrial Relations Research Conference in January 1997 and a more complete version appears in *International Journal of Manpower* ("Layoff Announcements and Employment Guarantee Announcements: How Do Shareholders Respond?" *International Journal of Manpower* Volume 25, No. 8 (2004): 729-740). Another piece, The Market Reaction to Layoff Announcements: A Union-Nonunion Comparison" uses event study methodology to examine whether investors react differently to layoff announcements of unionized versus nonunion employees. This project, supported by a grant from the Center for Human Resources at SUNY-Oswego, is forthcoming in *International Journal of Manpower*.

When I completed my Ph. D. in 1992, my goal was to combine my legal research skills and knowledge of substantive law with the empirical skills I had acquired through my Ph. D. training. Specifically, I wanted to conduct interdisciplinary research bridging law and business, with a special focus on law and employment. In the years since, I have attempted to remain active in basic, applied work and instructional research. Based on the external feedback I have gotten, I believe that my work has been well received.