

hangs from his three package cars, each dense with ZIP codes, addresses, and the corresponding sequence numbers. It takes three or four months to get loaders up to speed with their routes, and they are jobs with high turnover—early morning, part-time, and hard physical work where pay starts at \$9.50 an hour.

The new tech will “de-skill” those loading jobs, says Dante Bonney, a manager who oversees the loading line at the St. Louis center, which expects to get the package-flow tech late next year. Operators running a new set of computers where packages arrive at the center will plaster an added, “pre-load assist” label on each parcel. Those labels, instead of Williams’s memory, will direct the parcels to the proper vehicle, and where on each vehicle, for loading. “It’ll take

days, instead of months, to get a loader trained,” Williams says.

For now, a loader makes all the difference in a driver’s day, says Robert Watkins, who delivers one of the routes out of the St. Louis center. For four years, he has worked the north side of the city—

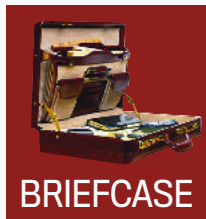
wonders out loud about the automation coming his way, the unseen computer that will rework his route for efficiency and better service: “How can a computer ever know all my customers, all the ins and outs?” It’s amazing, he says, to think they’ll even try. ●



UPS drivers are on their fourth generation of hand-held computers.

a hardscrabble area of small industry, stores, and residences. He knows the streets intimately, as well as the personalities along the way. He pauses to banter with a large woman who manhandles heavy boxes coming off the truck for the receiving department of one of his bigger clients. Letters, however, go around to another door, Watkins says, and the woman quickly explains why: “Because that girl won’t come down here to pick them up.”

Watkins winces, chuckles, and makes his exit. As he walks to his van, he



## Perks Aren't So Productive

Does higher productivity come only at the expense of employee happiness—or can companies boost production by offering their workers more perks, like flexible hours and better child care? Who has it right, in other words: the paternal French or the laissez-faire Americans? Well, neither, say the authors of a paper called **Work-Life Balance, Management Practices, and Productivity**, to be presented at next month’s Academy of Management meeting. Using data from 732 medium-sized manufacturing firms in Europe and the United States, the researchers found little correlation between productivity and work-life balance. More-productive workers tend to be better managed—not just laden with perks. “It makes sense,” says Nick Bloom, a professor of economics at Stanford who coauthored the paper. “The way to get the most out of your employees is to treat them well.”

## Nasty Ads Tap Out Buyers

Beer makers, be advised: Advertisements that dis the competition may be funny—but they may also stop customers from reaching for their wallets. In a working paper called **A Theory of Combative Advertising**, researchers at the Wharton School and New York University find that combative ads don’t necessarily turn couch potatoes into Budweiser loyalists. They can also make customers indifferent to a product—and take a bite out of sales. The au-

thors asked 164 subjects to rate the products of rival companies—from Visa and MasterCard to FedEx and UPS—and then had them watch the companies’ ads. Many participants became indifferent to *both* companies after seeing the commercials. “There is this belief that if you do enough advertisement, people will buy into whatever you say about your product,” says coauthor Z. John Zhang, a Wharton professor of marketing. “We show that is not necessarily the case.”

## How Words Can Hurt...Stocks

Are the media just a sideshow to financial markets—or do journalists have any real effect on share prices? According to economist Paul Tetlock of the University of Texas–Austin’s McCombs School of Business, the tail may be wagging the dog. Tetlock’s paper **Giving Content to Investor Sentiment: The Role of Media in the Stock Market**, appearing soon in the *Journal of Finance*, examines the impact of the *Wall Street Journal*’s daily “Abreast of the Market” column on the stock market from 1984 through 1999. When the column included negative words like “recession” and “gloomy,” Tetlock found an appreciable drop in stock prices—by an average of 0.08 of a percentage point. This bearishness tended to disappear within a few days, but his conclusion is stark. The media really *do* matter. Hmm, is it bad form to short the Dow?

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By Justin Ewers