

**ABSTRACTS****1. FIRM-BANK RELATIONSHIPS AND BANK SELECTION CRITERIA:  
EMPIRICAL EVIDENCE FROM AUSTRIAN AND GERMAN COMPANIES**

Christine Mitter, Salzburg University of Applied Sciences, Austria

**ABSTRACT**

*Drawing on a survey of Austrian and German nonfinancial companies, the number and kind of bank relationships as well as the criteria and reasoning that motivate corporate customers to do business with their banks are investigated. The analysis reveals that the number of bank relationships of Austrian and German companies varies significantly and is driven by firm size. Moreover, while smaller firms are not planning any changes in their number of bank relationships or are even considering an increase in order to profit from higher competition, the diversification of counterparty risk or independence, a reduction in the number of bank relationships is the dominant strategy among larger corporations. The housebanking principle is still highly prevalent in corporate financing. The majority of Austrian and German firms are characterized by a close relationship with one or a few main banks, so-called housebanks. The main banks are regarded as such primarily because of their commitment to the company. Among the other reasons smaller firms stress interaction aspects such as a long duration of the relationship, while the larger firms are more concerned with the loan volume (syndicated loans, high lines of credit). This different focus is also reflected in the bank selection criteria in general. While smaller firms and companies with fewer banking relationships emphasize trust-related aspects such as continuity in personal relationships and the qualities of the personal banker, the global reach of the bank is significantly more important for larger firms. Price and service quality are considered important by all corporate clients.*

**Keywords:** *firm-bank relationships, relationship banking, relationship lending, housebanking principle, bank selection criteria*

---

**2. AN APPLICATION OF AHP: CASE OF BEE-NABL ACCREDITED CHECK TESTING  
LABORATORIES UNDER STANDARDS AND LABELING PROGRAM IN INDIA**

Vivek Soni, Indian Institute of Technology Delhi, India  
Surya Prakash Singh, Indian Institute of Technology Delhi, India  
Prof. Devinder Kumar Banwet, Indian Institute of Technology Delhi, India

**ABSTRACT**

*India first adopted minimum energy performance standards (MEPS) in the year 2006. Today, there are standards for a wide range of domestic, commercial and selected industrial products. Concerning about the integrity of the energy information labeling and MEPS, Bureau of Energy Efficiency (BEE) has launched check testing scheme and started to conduct check testing of these products for compliance of standards at the laboratories in India. These labs have been technically competent and accredited by National Accreditation for Testing and Calibration Laboratories (NABL). Government of India has authorized NABL as the sole accreditation body for Testing and Calibration Laboratories. In order to achieve this objective, NABL provides laboratory accreditation services to laboratories that are performing tests/calibrations in accordance with ISO/IEC 17025:2005 and ISO 15189:2007 for medical laboratories. This paper presents the application of Analytical Hierarchy Process (AHP) as a potential decision making tool for ranking various check testing laboratories exists in India.*

**Keywords:** *Analytical Hierarchy Process (AHP), Minimum Energy Performance Standards (MEPS), Bureau of Energy Efficiency (BEE), National Accreditation for Testing and Calibration Laboratories (NABL), Check Testing*

---

### 3. INTERACTION AMONGST EQUITY, FOREX AND BOND MARKETS: EVIDENCE FROM SINGAPORE

Sandip Chakraborty, S. P. Jain School of Global Management, Singapore  
Parvinder Kumar Arora, S. P. Jain School of Global Management, Singapore

#### ABSTRACT

*This study attempts to find out interaction amongst different financial markets of Singapore, viz. Equity, Forex and Bond markets. This study also attempts to investigate the interaction of said markets of Singapore with the US security and interest rate markets. Adopting a methodology that identifies structural breaks, recessionary and non-recessionary sub-periods of Business Cycles and interaction of the factors through multivariate GARCH models, this study arrived at interesting findings. Shocks and persistence parameters of cross-interaction were observed to vary across Business Cycles. This study found asymmetric nature of interaction during recessionary period as opposed to non-recessionary period.*

**Keywords:** *Structural Breaks, Business Cycles, Multivariate GARCH, Shocks, Persistence*

---

### 4. NETWORKING, MARKETING ACTIVITIES, AND FIRM PERFORMANCE: A SURVEY OF THAI CONSTRUCTION FIRMS

Pattana Boonchoo, Thammasat Business School, Thailand  
Jittima Tongurai, National Institute of Development Administration, Thailand

#### ABSTRACT

*This paper examines the relationships between networking, the extent to which firms adapt their marketing activities and firm performance. Regression analyses of a sample of 112 construction firms suggest that networking significantly affects firm performance. More specifically, we find that there are positive relationships between the extent to which firms engage in networking activities and (1) firm performance and (2) the extent to which firms make changes to marketing activities. Moreover, the changes in marketing activities also have a positive relationship with firm performance. These findings shed light on the importance of networking in firm performance, particularly in emerging economies, and strongly suggest that firms should foster and enhance their ability to engage in relevant and useful networking activities. The firm's ability to network with different stakeholders should be deemed a crucial source of competitive advantage that will enhance the likelihood of earning an above-average industry return.*

**Keywords:** *Networking, Marketing Activities, Firm Performance, Construction Firms, Thailand*

---

## 5. HIGH SCHOOL STUDENTS AND ADULTS DIFFER REGARDING PERSONALITY TRAIT PERCEPTIONS OF BUSINESS OCCUPATION MEMBERS

Suzanne N. Cory, St. Mary's University, San Antonio, Texas, USA  
G. Martinez, St. Mary's University, San Antonio, Texas, USA  
Thomas E. Reeves, Analytic Focus, San Antonio, Texas, USA

### ABSTRACT

*Information about differences in perceptions of occupational stereotypes between older and younger adults should be useful when helping students choose among possible careers. This study determined that differences in personality trait perceptions of the members of four different business occupations exist between high school students and adults.*

**Keywords:** *Occupational stereotypes, supervised learning, career choice*

---

## 6. IMPLICIT BIAS AND APPEARANCE DISCRIMINATION IN THE WORKPLACE

Michael Martin, University of Northern Colorado, USA  
Keiko Krahnke, University of Northern Colorado, USA

### ABSTRACT

*This paper explores appearance-based discrimination in employment settings. A major challenge employers face is the evolving nature of discrimination. While Title VII has helped reduce overt discrimination, subtle discrimination continues to be pervasive, and implicit bias plays a major role in recent cases of discrimination. Appearance discrimination can turn into Title VII discrimination because of implicit bias against a particular race, gender, age, or religion. This paper explains the nature of implicit bias and how it leads to discrimination. It then examines the impact of such discrimination on conditions of employment. Subsequent sections review litigation approaches to appearance discrimination and how they can potentially embroil businesses in lawsuits. Small businesses are especially vulnerable because they may not always have clear policies regarding discrimination. This paper concludes with practical guidelines for employers.*

**Keywords:** *Implicit bias, appearance discrimination, Title VII*

---

## 7. THE ORGANIZATIONAL MARRIAGE METAPHOR: MERGERS AND ACQUISITIONS

Ernest Alonza Norris, Kaplan University, Fort Lauderdale, Florida, USA

### ABSTRACT

*In the challenge for survival of the fittest, organizations must evolve, adapt, and defend their niches in the habitat or wither and die. In some cases, organizations attempt to expand and defend their positions in the habitat through mergers and acquisitions. Unfortunately, over 70% of the strategic plans for growth, increased profitability, and long-term survival fail to accomplish the desired outcomes. Consequently, a perfect planned merger or acquisition to create synergistic power as a new efficient larger organization is dependent on the people in the new organization. In examining merger and acquisition literature, people issues and organizational culture change problems (soft side of management) were among the top explanations for M&A negative outcomes. This paper focuses on the problematic nature of culture change in mergers and acquisitions and presents the organizational marriage metaphor (OMM). A tool designed to reduce culture change issues and increase the probabilities of successful mergers and acquisitions.*

**Keywords:** *Mergers and Acquisitions, Leadership, Organizational Culture and Change, Theory of Constraint, Change Resistance, Merger Integration*

---

## 8. SUSTAINABILITY FOR CENTURIES: MONASTIC GOVERNANCE OF AUSTRIAN BENEDICTINE ABBEYS

Birgit Feldbauer-Durstmueller, Johannes Kepler University, Linz, Austria  
Simon Sandberger, Johannes Kepler University, Linz, Austria  
Maximilian Neulinger OSB, Benedictine Abbey of Lambach, Austria

### ABSTRACT

*This paper expands an initial empirical study of Inauen and Frey of 2008 on the lifespan and reasons for dissolution of all Benedictine abbeys that have ever existed in selected German-speaking regions. Based on additional data from Austrian Benedictine abbeys, we draw the conclusion that Benedictine monasteries can be regarded as extraordinary long-lasting and stable institutions. Benedictine's elaborate governance mechanisms have played a substantial role in their steadiness. However, the Austrian history of sovereigns' influence on the survival of monasteries indicates that the long lifespan cannot serve as clear empirical evidence for the efficiency of alternative "Benedictine" governance mechanisms. Furthermore, we are very critical when it comes to the transferability of monastic governance instruments to present-day economic organizations.*

**Keywords:** *Benedictine Order, Rule of Benedict, Monastery, Corporate Governance, Empirical Study*

---

## 9. SOCIAL ENTREPRENEURSHIP: THE ROLE OF HRM IN YOUTH EMPLOYMENT

Crystal L. Ellis, Morgan State University, Baltimore, MD, USA

### ABSTRACT

*With the continuous rise of youth issues (Riley, 1999), it is vital that we learn how to improve this in surrounding communities. The focus of social entrepreneurship (SE) is on finding innovative ways to provide solutions to society's issues. With long-term effects being most important, youth employment is a way to help the youth of today. In order to not simply hire, but also maintain employment, there must be a strong HRM system of a company. If this study were conducted it is expected to also show that since rural areas have a lower percentage of youth issues, focusing on the entire community will be the central focus, rather than centralizing on youth, as compared to those in major cities.*

**Keywords:** Human Resource Management, Social Entrepreneurship, Youth Employment

---

## 10. BIGGEST CORPORATE FAILURES, THE UNDERLYING AGENCY PROBLEM, AND THE CORPORATE GOVERNANCE MEASURES

Pankaj K. Maskara, Nova Southeastern University, Ft. Lauderdale, Florida, USA  
Zekeriya Eser, Eastern Kentucky University, Richmond, Kentucky, USA  
Bjoern Claassen, Christian Brothers University, Memphis, Tennessee, USA

### ABSTRACT

*Based on our study of the biggest corporate failures in history from Barings Bank to General Motors we contend that despite the seemingly varied reasons suggested by the media the underlying cause of corporate failures in majority of the cases was agency problem. The academic literature addresses this problem under the umbrella of corporate governance. Most studies in this literature measure corporate governance by the G-index developed by Gompers, Ishii, and Metrick (2003). We show that the G-index and/or the entrenchment index of Bebchuk, Cohen, and Ferrell (2009) would have misclassified majority of the firms that we study as well-governed firms. However, we also show that majority of the firms that ultimately failed showed deterioration in their corporate governance measure over time as they approached their ultimate demise. We therefore suggest that future studies rely not only on the level of G-index or entrenchment index as a measure of corporate governance but the change in these indices over time.*

**Keywords:** Technology Management; Technology Strategy, Product Life Cycle, Biotechnology, Technology Adoption, Healthcare

---

## 11. INFLUENCE FACTORS OF INDUSTRIAL CONFIDENCE INDICATOR FOR ROMANIA AND OTHER STATES MEMBERS OF EU

Mariana Gagea, Al. I. Cuza University, Iasi, Romania

### ABSTRACT

*In this paper we aim to test the hypothesis according to which there is a strong correlation between the confidence indicator in industry and the reference series represented by the industrial production index at EU(27) level. We consider that besides the industrial production index there are also other macroeconomic indicators at national, European and world level influencing the formation of industrial confidence indicators such as the industrial production index, indices of consumer prices, unemployment rate, interest rate, OPEC Reference Basket. We analysed the data for Romania and other six EU Member States. We intend to explain the dynamics of confidence indicator by the macroeconomic indicators*

considered with binary Logit model. For this purpose, the confidence indicator is treated as a binary variable having code 0 for values lower than or equal to 0, representing the decrease-stability of confidence, and code 1 for positive values, representing the increase of industrial confidence. According to the results obtained, the industrial production index at EU level is significantly correlated to the confidence indicators of the EU Member States from the sample studied. Romania is the only country for which the industrial confidence indicator is not significantly correlated to the production index at national level being influenced by other macroeconomic indicators. At the opposite end, there are Germany and United Kingdom for which industrial confidence depends almost exclusively on this indicator.

**Keywords:** Industrial confidence indicator, Macroeconomic indicators, Members states of EU, Pearson's correlation coefficient, Logit model

---

## 12. BEST PRACTICE IN DESIGN AND EVALUATION OF WEB SITES

Myron Edwin Hatcher, California State University-Fresno, Fresno, California, USA

### ABSTRACT

*The concept started as a class project in an Upper Division Management Information Systems course. With input and refinement from many sources an effective tool for design and evaluation of web sites emerged. As Web sites become more important in collaboration within and between companies, the quality of the site must be considered. In the situational analysis, different dimensions emerge with relationship to quality and the sense of Best Practice.*

**Keywords:** web design, best practice, web evaluation, end user, service orientated architecture, social networking, data driven web site, model driven web site, information systems concepts, critical success factors, the input process output model, networking, competitive advantage, strategies for achieving competitive advantage, competitive disadvantage, competitive necessity, threats to competitive advantage, value chain analysis, critical data, and critique recommendation and future.

---

## 13. CLIENT SATISFACTION IN HONG KONG

John S. Croucher, Macquarie University, Sydney, Australia

### ABSTRACT

*The Macquarie Graduate School of Management (MGSM) is one of the leading management schools in the Asia Pacific region and is now in its 43<sup>rd</sup> year of operation. As well as being an onshore provider of a range of postgraduate management programs, including its flagship MBA, for over 15 years it has had an established presence in Hong Kong where the faculty based in Sydney travel to present the program. This has been a highly successful program to date, but with the rising value of the Australian dollar and fierce competition it is timely to consider how the students (clients) feel about themselves and their satisfaction with various aspects of the program. From a population of just over size 200, a random sample of 88 off shore Hong Kong students enrolled for a range of degrees was selected and surveyed on their personal attributes, how they viewed themselves, their fellow students and the program. Among some expected outcomes there were some surprising results that MGSM will need to examine closely.*

**Keywords:** MBA, customer satisfaction, Hong Kong, survey, binary logistic regression

---

#### 14. ENSURING ENVIRONMENTAL PERFORMANCE BY MEANS OF ENVIRONMENTAL MANAGEMENT SYSTEMS

Ienciu Ionel-Alin, Babes-Bolyai University, Cluj-Napoca, Romania

##### ABSTRACT

*Although environmental management systems are currently voluntary, as a result of supplied benefits - organizational and managerial efficiency, continuous monitoring and conformity - they have been implemented by an increasing number of entities, resulting in the improvement of their image and the increase of credibility towards investors, creditors and other stakeholders. The objective of the study is to describe how implementing and certifying environmental management systems improve the environmental performance of an entity. We believe that environmental management systems are meant to increase environmental performance, and the certification of such systems would not necessarily determine the increase of environmental performance, but more likely to improve the image of the entity, to boost its credibility towards investors, authorities and other stakeholders.*

**Keywords:** Environmental Performance, Environmental Management Systems, Certifications, Correlations, Image

---

#### 15. ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) IN THE RUSSIAN BANKING SYSTEM: WHERE WE STAND NOW

Inessa Yu. Korovyakovskaya, Jackson State University, Jackson, MS, USA

##### ABSTRACT

*This study reviews the stages of the adoption of International Financial Reporting Standards (IFRS) in Russia in general, and in the banking sector, in particular. Russia is one of the most influential Eastern European countries with a growing market that has a significant impact on the world economy. As a very large emerging market, Russia offers significant opportunities for foreign investors. A few propositions were made regarding a fast transition to a complete adoption of the IFRS in the banking sector that will place Russia in a beneficial position in the international arena. This study contributes to the literature on the adoption of IFRS in Eastern Europe and in the global markets.*

**Keywords:** International Financial Reporting Standards, Russian Banking System, Adoption of IFRS in Russia, Banking and Finance

---

## 16. IDENTIFYING KEY PROJECT MANAGEMENT SOFT COMPETENCIES AT A TELECOMMUNICATION COMPANY

Laszlo Barna, University of Miskolc, Hungary  
Csaba Deák, University of Miskolc, Hungary

### ABSTRACT

*Many companies from different industries and sectors have to face with Research and Development projects. The projects I have examined are dealing with R&D in IT and telecommunication sector. These projects require project managers who are well trained in project management, but not only this kind of knowledge matters, also the soft competencies play major role. It is a big challenge to identify and prioritize the required, industry specific soft competencies related to project management. The aim of my research is to identify the key soft project management competencies and furthermore to highlight those competencies which requires development in each case. In this paper I will introduce just a part of my research, but I think this represents properly the perception of the complete research.*

**Keywords:** *project management, competencies, research and development project, IT, Telecommunication*

---

## 17. MANAGING CUSTOMER HEDONISM: A CASE OF LUXURY HOTELS

Weng Marc Lim, School of Business, Monash University, Australia  
Ding Hooi Ting, School of Business, Monash University, Australia  
Victor Chia Ming Lee, School of Business, Monash University, Australia  
Ian Sze Yuan Chua, School of Business, Monash University, Australia  
Hee Yu Tan, School of Business, Monash University, Australia

### ABSTRACT

*This paper seeks to understand customer hedonism in luxury hotels. More specifically, this paper investigates for the attributes that creates customer hedonism and the effects of customer hedonism on customer satisfaction and the effects of customer satisfaction on re-patronage, all within the context of luxury hotels. A quantitative research approach was employed using questionnaires as a mode of data collection from a sample of 305 respondents and regression as the primary method of data analysis. Results show that service quality, servicescape, thrift and personalization has a significant influence on customer hedonism; customer hedonism has a significant influence on customer satisfaction; and customer satisfaction has a significant influence on re-patronage. Implications and recommendations from the research findings are also presented.*

**Keywords:** *Customer Hedonism, Luxury Hotels*

---

## 18. CONCEPTUAL DISCUSSION OF GROUP DIVERSITY, TRUST AND PERFORMANCE

Crystal L. Ellis, Morgan State University, Baltimore, MD, USA  
Nathan K. Austin, Morgan State University, Baltimore, MD, USA

### ABSTRACT

*Studies on the relationship between group diversity and work performance outcomes continue to show mixed results. It has been suggested that the extent of trust between members of the workgroup is a critical determinant of whether the impact of diversity on the workgroup is either detrimental or beneficial (Jehn, Rispens, and Thatcher, 2010). Moreover, Jong and Elfring (2010) suggest that our understanding of trust will be enhanced by knowledge of the specific factors that impact the effects of trust. The paper*

*reviews the three distinct dimensions of group diversity i.e. cultural, task knowledge diversity and proposes that the impact of trust on the relationship to work group performance will vary depending on the group diversity dimension being considered. A model and an empirical methodology is suggested to help enable our understanding of these differences and leading to the creation of better performance workgroups.*

**Keywords:** Group diversity, cultural diversity, task diversity, knowledge diversity, trust, group performance

---

## **19. THE CHANGING IMPORTANCE OF GUANXI IN RELATIONAL MARKETING IN CHINA: INSIGHTS FROM CHINESE TRADITIONAL CULTURE CONTEXT**

Liu Haibo, GuiLin University of Electronic Technology, GuiLin, China  
Liu Meilian, GuiLin University of Electronic Technology, GuiLin, China  
Shen Qiong, GuiLin University of Electronic Technology, GuiLin, China

### **ABSTRACT**

*As more and more foreigners turn their eyes on the rapid development of China, more emphasis has been put on the Chinese business relationships. Many scholars home and abroad point out that relationship plays a key role in Chinese business practice context. In view of Chinese traditional culture, we have explored some underlying principles and some over-emphasized thoughts that may account for renew orientations. We have set forward four propositions which are rooted in Chinese traditional culture: Chinese firms aim at establishing long-term orientation relationship in industrial markets ; Pure transaction relationship has weakened in business practice in China; Relational marketing and transaction marketing can be compatible in China and interpersonal relationship in relational marketing exists some time in China.*

**Keywords:** Guanxi; Relational marketing; Chinese Traditional Culture

---

## **20. AN EMPIRICAL STUDY OF THE RELATIONSHIP BETWEEN ORGANIZATIONAL CLIMATE AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR**

Bassem E Maamari, Lebanese American University, Lebanon  
Leila Canaan Messarra, Lebanese American University, Lebanon

### **ABSTRACT**

*This study aims to empirically test the relationship between organizational climate and organizational citizenship behavior. 139 respondents successfully completed a valid, reliable questionnaire from the commercial banking sector of Lebanon in the Middle East. Findings indicate that organizational climates have an effect on organizational citizenship behaviors. Results also identified which climates affect which citizenship behaviors.*

**Keywords:** Organizational citizenship behavior (OCB), Organizational climate, Bank Employees

---

## 21. IMPACT OF TELECOMMUTING ON ORGANIZATION PRODUCTIVITY

Farrokh Mamaghani, St. John Fisher College, Rochester, New York

### ABSTRACT

*The task of acquiring, developing, motivating, and maintaining a high quality workforce in coming years will present management with unparalleled human resource challenges. As managers grapple with new workplace complexities, such as growing workforce diversity, changing social forces, attention to work-family conflict, and alterations in worker lifestyles, they must reconsider traditional work arrangements. Alternative work arrangements, such as flextime, compressed work week, job sharing, and permanent part-time employment, have been used to deal with these increasingly complex human resource issues. At the same time, advancing technology has made it increasingly feasible to work from remote sites. In this context, telecommuting has become one of the mechanisms management may utilize to meet its pressing human resource challenges.*

*While previous research has described the nature and use of telecommuting, few authors have studied the impact of telecommuting on organizational productivity. Consequently, the impact of telecommuting on productivity requires additional investigation. This article addresses this topic as organizations expand their telecommuting experiences.*

**Keywords:** Telecommuting, Organization Productivity, Telecommuting Productivity

---

## 22. EMPIRICAL ANALYSES OF THE “DOGS OF THE DOW” STRATEGY: HONG KONG EVIDENCE

Mingyue Qiu, Fukuoka Institute of Technology, Fukuoka, Japan  
Hong Yan, Fukuoka Institute of Technology, Fukuoka, Japan  
Yu Song, Fukuoka Institute of Technology, Fukuoka, Japan

### ABSTRACT

*In this study, we apply the Dogs of the Dow investment strategy to the Hong Kong stock market and analyze its performance on the basis of 2001–2011 data. The simulation results show that on average, the Dogs of the Dow investment strategy is superior to the average level of the market, though it is not statistically significant. And the risk of the Dogs of the Dow strategy is lower than that of the market. The simulation data also show that the portfolios with fewer than ten stocks outperformed the market index.*

**Keywords:** the Dogs of the Dow strategy, the Dow 10 strategy, Hong Kong stock market, Hang Seng index

---

## 23. HUMAN INTELLIGENCE AND COMPETITIVE ADVANTAGE

Kwa Tran, Global Management Group, Thailand and USA  
Peng Chan, California State University, Fullerton, California, USA

### ABSTRACT

*This paper attempts to integrate current theories on human intelligence and organizational development in order to draw conclusions on how to increase firm value. Many studies have argued in favor of the value of emotional intelligence in leadership. Few have attempted to adapt multiple intelligence theory to the firm. The uniqueness of this research lies in its interdisciplinary approach: clarifying theories of intelligence and integrating them with competitive firm theories in order to reach conclusions supporting*

*the role of capabilities in firm strategy. The results of this study will have practical and universal implications for firm strategy.*

**Keywords:** *ability-based, competencies, competitive advantage, contingency theory, corporate strategy, emotional intelligence, multiple intelligence, organizational development, organizational effectiveness, resource-based view*

---

## **24. THE EFFECT OF CARBON TAX ON THE ECONOMY OF AUSTRALIA**

Shirley Wong, Northern Melbourne Institute of TAFE, Australia

### **ABSTRACT**

*This paper aims to look at the carbon tax to be implemented in Australia in July 2012. A comparison is made between the carbon tax and emission trading scheme and an evaluation is made as to which one is a better choice. Investigation is made of the effect of the tax on the economy of Australia and the assistance that can be given by the Government to help households and industries cope with the tax.*

**Keywords:** *carbon tax, emission trading scheme*

---

## **25. ENTERPRISE 2.0 IN ORGANIZATION DESIGN: A CASE STUDY OF IT-ENABLED ORGANIZATION DISRUPTION MODEL**

Zhenyu Yang, BI Business School, Oslo, Norway

### **ABSTRACT**

*Organizations have long recognized the importance of social capital and aggressively looked for ways to upgrade and identify the business value embedded in their organizations. With the world-wide popularity of individual social media adoption, Web 2.0 technologies not only permeate our private lives (updating statuses on Facebook, sharing photos via Flickr, connecting to former and future colleagues on LinkedIn), but also changes our professional and corporate work and life, as many companies seek to use the same tools inside their organizations – the so-called Enterprise 2.0. These technologies, as well as an increasingly technology-empowered workforce, bring new challenges for companies: How to find an appropriate organizational structure, how to evolve and make use of the organization's knowledge base, and how to design a digital corporate strategy reflecting the changing industry environment. This paper is attempted to propose an IT-enabled organization disruption model to address such concerns by a brief case study in consulting industry. Theoretical foundation is borrowed from the successful disruptive innovation logic and innovatively applied in organization design study. Insights generated from this study will help guide further empirical findings.*

**Keywords:** *Enterprise 2.0, organization design, IT-enabled organization*

---