

**ABSTRACTS****1. GLOBAL INNOVATION TEAMS: CULTURAL TEAM COMPOSITION, LANGUAGE CAPACITIES, AND EXPERIENCE AS SUCCESS FACTORS**

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**ABSTRACT**

*As global companies use teams to pursue innovations research has paid increasing attention to team functioning. For global innovations firms often rely on Multi-Cultural Innovation Teams (MCITs) with members from different national backgrounds to gain easy and fast access to consumer and market knowledge. We conducted a two year longitudinal study on five MCITs (105 interviewees) at a large consumer good company, BLUE. We focus on diversity of communication styles and values as well as their effect on team work dimensions which are linked to the innovativeness of teams. We derive a model stressing premises of a high quality of teamwork.*

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**2. STRATEGIC MOTIVATIONS FOR LOCATION CHOICE OF FOREIGN DIRECT INVESTMENT IN CHINA: A DISCRETE-CHOICE ANALYSIS**

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**ABSTRACT**

*The study aims to empirically examine the effect of regional characteristics of an inland province of China on FDI location and to shed light on the renewed issues of location choices of foreign direct investment (FDI). Theoretical hypotheses regarding location choice are developed based on Dunning's eclectic paradigm and other pertinent FDI literature and than empirically tested by using firm-level survey data with a discrete choice model. The findings from this study suggest that labour cost and investment incentives of local government are significant location characteristics to foreign investors. The study also concludes that lower labour cost, and higher level of investment incentives have positive influence on FDI decision of joint venture.*

**Keywords:** Location choice, foreign direct investment, China, Logit model

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**3. FIRM ORIENTATION, ORGANIZATIONAL COMMITMENT, AND COMPETITIVE ADVANTAGE: AN EMPIRICAL STUDY OF ACCOUNTING FIRMS IN THAILAND**

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**ABSTRACT**

*This study aims at examining the relationships among firm orientation, organizational commitment, and competitive advantage by using accounting firms in Thailand as the sample. Here, learning orientation and innovation orientation as the two components of firm orientation are independent variables and organizational commitment is a mediating variable. The results indicate that both learning orientation and innovation orientation have significant positive relationships with organizational commitment. Also, organizational commitment is significantly and positively related to competitive advantage. Surprisingly, only innovation orientation has a direct influence on competitive advantage. Accounting firms with greater learning orientation and innovation orientation explicitly tend to have a stronger competitive advantage via organizational commitment as a mediating variable. With along the results, potential discussion is*

efficiently implemented. Theoretical and practical implications are clearly provided. Lastly, conclusion and suggestions and directions of the future research are effectively described.

**Keywords:** Firm Orientation, Learning Orientation, Innovation Orientation, Organizational Commitment, Competitive Advantage, Accounting Firms

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#### **4. LINKAGE BETWEEN BOARDROOM CONFIGURATION AND FIRM'S FINANCIAL PERFORMANCE: EVIDENCE FROM THE PUBLISHING AND BROADCASTING INDUSTRIES**

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##### **ABSTRACT**

*The call for a structurally independent boardroom has been a long-standing demand by a number of influential constituencies, including the public pension funds and the corporate governance rating agencies. This issue has received renewed endorsement following the Enron's demise with the promulgation of the Sarbanes-Oxley Act. Nonetheless, the directional superiority (from a financial perspective) of a specific boardroom composition is difficult to ascertain due to exogenous distortions associated with the contextual surroundings of the firms, such as the industry type, and the regulatory and competitive environment. Using a hierarchical ordinary least square regression (OLS), I revisit this important issue for a specific sector of the economy, namely the publishing and broadcasting industry. The rationale behind the utilization of this industry is driven by the fact that it has predominantly fallen outside the corporate governance radar scrutiny. In addition, the firms belonging to the publishing and broadcasting industry have been relatively immune to the corporate scandals. The results of the OLS indicate that the size and the fraction of independent directors in the boardroom positively impact on the financial performance of the firms (proxied by the return on assets and return on invested capital). It is also noted that the boardroom's size has a more pronounced effect on financial performance than the percent independent directors.*

**Keywords:** Corporate Governance, Boardroom's independence; Boardroom's Size; Outside/Inside Directors; Financial Performance

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#### **5. THE DIRECT EFFECTS OF PRICE PERCEPTION CONSTRUCTS AND INTERNAL REFERENCE PRICE ON CONSUMERS'S PRICE PERCEPTION**

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##### **ABSTRACT**

*In this study, we reviewed Lichtenstein et al. (1993)'s price perception model and applied it to a particular product context (Sony's CD player). Utilizing LISREL 8.7 program, we found that the price perception constructs—value consciousnesses, price consciousness, sale proneness, price-quality schema and prestige sensitivity—have no significant direct effects on consumers' overall price perceptions. In addition, internal reference price (IRP) was added to the model and tested along with the overall model fit testing. The acceptable fit indices suggested that internal reference price is a very relevant factor in building consumers' price perceptions. Moreover, the significant relationship between internal reference price and price perception supports that no matter the external inference price (advertised selling/reference price) is presented or not, the effect of internal reference price is significant in forming and influencing consumers' price perception. A comprehensive model, the integration of Lichtenstein et al.'s (1993) model and IRP, was found to be a better prediction of consumer' price perception than either of them alone. Managerial insights and theoretical contribution were discussed.*

**Keywords:** Price, Price perception, Consumer behaviors, Internal reference price.

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## 6. SERVICES OFFSHORING - REFLECTIONS AND NEW DIRECTIONS

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### ABSTRACT

*The growth in offshoring has been generated by the tangible economic benefits of low cost labour and location. Intangible aspects such as quality, service and security have to a large extend been neglected. However, it is becoming clear that such intangibles are increasingly critical aspects in the long-term development of offshoring. The paper argues that there has been a fundamental shift in the arguments underpinning the rationale for offshoring providing opportunities for the development of offshoring in advanced market economies like Australia.*

**Keywords:** Offshoring, services

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## 7. HOW DO THE PARENT FIRMS OF SPIN-OFFS PERFORM ACROSS A BEAR MARKET?

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### ABSTRACT

This study examines the four-year stock performance of parent firms that undertake a spin-off from 1999 to 2003. The theoretical motivations for spin-offs have been widely documented in the literature; however, an empirical examination of the aftermarket performance of the parents of spin-offs across a protracted bear market remains an unexamined topic. We find that the parent firms of spin-offs consistently outperform market indices from the closing price on the first day of public trading to their four year anniversaries. These findings are important because the existence of price patterns during a market correction can serve as an investment hedge within a mean-variance efficient portfolio.

**Keywords:** Initial Public Offerings, Spin-offs, Divestiture, Corporate Restructuring

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**8. ASSESSMENT OF IMPORT-EXPORT OPERATIONS EFFICIENCY FROM RATE OF EXCHANGE VARIATIONS PERSPECTIVE**

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**ABSTRACT**

*Under present conditions, the participation of all states in the global economic circuit is an objective necessity. The complexity of world economy, the extremely powerful incidence of technical progress, the very high degree of diversification of the economic processes, the enhancement of interdependencies between national economies, the extremely important advantages that can be drawn from international specialization (or the danger to which those who prefer autarchy are exposed), make up just a part of the causes and factors that led to the generalization – at a planetary scale – of the international economic exchanges. The main feature of these operations consists in expressing them in a foreign currency, from which derive the implications that the variations in the rate of exchange between the national currency and the currency in which the external transaction is expressed can produce upon the efficiency of unreeing such a transaction.*

**Keywords:** International Trade, Accounting Information, External price, Risk (Currency), Financial Statements.

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**9. THE BULLWHIP EFFECT IN A PRODUCTION LOGISTIC SYSTEM AND ITS IMPACT ON CORPORATE FINANCIAL PERFORMANCE**

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**ABSTRACT**

*Serial dependency and variations in combination in a logistic system can be found in many real business situations. The combination of dependency among resources and variations at each resource in a production logistic system has profound effects on inventory and production. This study employs a computer simulation to investigate the effects of serial dependency and variations in combination in a production logistics and their impacts on corporate financial performance under two different accounting systems – absorption accounting and TOC-based throughput accounting. Several observations demonstrated by the simulation results include an increasingly vibrating variations moving along the pipeline of the production line (Bullwhip Effect), decreasing pattern in financial performance under both accounting systems via increasing level of inventory, and enlarging gap in cumulative financial performance period by period between two accounting systems.*

**Key words:** Production logistic system, Bullwhip effect, Tsunami effect, TOC Throughput Accounting

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**9. A TRUE AND FAIR VIEW: HARMONIZATION OF THE ACCOUNTING**

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**ABSTRACT**

*The aim of this paper is to describe the essence of the concept "true and fair view, in Swedish "a correct view" (en rättvisande bild). The aim is also to present how this concept is practically handled in some different countries and how this has influenced the accounting internationally. In the harmonization*

*process of the accounting in different countries the concept "true and fair view" have been important. Different accounting traditions have traditionally had an impact on the accounting in different countries. Which tradition a country belongs to is to a great extent dependent on how the companies in the country have financed their capital. The countries where the companies' capital is built up by a capital-based financial market with individual investors and shareholder have traditionally belonged to the Anglo-Saxon accounting tradition. In the countries traditionally belonged to the continental accounting tradition it is the polity and the credit-market who have financed the long-termed investments. Today, the financing market is being more and more globalized. This will imply that companies in different countries are needed to harmonize their financial accounting. Thereby some laws and directive in different countries are going to be changed.*

**Keywords:** true and fair view, international accounting, harmonization, Anglo-Saxon accounting tradition, Continental accounting tradition

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## **10. LEADER-MEMBER EXCHANGE AND CIVIC-VIRTUOUS ORGANIZATIONAL CITIZENSHIP BEHAVIOR: THE EFFECT OF SUBORDINATE DISABILITY**

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### **ABSTRACT**

*A considerable amount of studies has been conducted to examine the relationship between the quality of leader-member exchange (LMX) and organizational citizenship behavior (OCB). This study contributed to the body of literature by investigating the moderating effect of subordinate disability on the relationship between LMX and civic-virtuous OCB. It was found that regardless of the quality of LMX experienced by employees with disabilities, disability moderates the impact of LMX relationship on civic-virtuous OCB. The findings suggest a need for organizations to support the development and maintenance of high quality superior-subordinate relationship should they wish to encourage the performance of civic-virtuous OCB among employees with disabilities. Suggestions for future research are offered.*

**Keywords:** Leader-member exchange; Civic-virtuous Organizational Citizenship Behavior; Disability.

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## **11. ERP IMPLEMENTATION IN A MULTI CLIENT-MULTI PROCESS ORGANIZATION: EFFECT ON MANAGER'S JOB AND ORGANIZATION STRUCTURE**

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### **ABSTRACT**

*We find further evidence to show that ERP implementation in organizations tend to increase standardization, specialization and formalization. However in 'defender' organization (typology of Miles and Snow et. al. (1978)) flexibility and autonomy significantly decrease (Sharma and Sharma (2007)). We find that in a multi client – multi process organization (typology of Jacobs and Whybark (2001)) flexibility increases significantly while autonomy does not go up significantly (post ERP implementation). These are interesting findings for researchers as well as practicing managers.*

**Key Words:** ERP implementation, 'multi client – multi process' organization, 'defender' organization

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**12. THE IMPACT OF FORMAL AND INFORMAL SOCIALIZATION ON TEACHING EXCELLENCE**

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**ABSTRACT**

*This study reports the results of 140 survey questionnaires made up of full-time and part-time graduate students at a university located in Beirut, Lebanon. The research focuses on the effect and the relation between the various forms of socialization and teaching excellency. The aim is to determine whether formal or informal socialization is characterized by students at a higher educational institution as "excellency in teaching". After participants describe the characteristics of an "excellent teacher", the researchers correlated the results with the questions relating to professional socialization. The results showed that students at university level are more inclined to have a formal relationship with their instructors.*

**Keywords:** Socialization, Formal, Informal, Excellency in Teaching

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**13. INTELLECTUAL CAPITAL IMPORTANCE, MEASUREMENT AND REPORTING:  
EVIDENCE FROM BAHRAIN**

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**ABSTRACT**

*Measuring organizational performance and success is a continuous challenge for both managers and researchers. Intellectual capital is branded as an organization's most valuable resource and the crucial issue to its success or failure, also it's recognized as the most important sources of organizations' competitive advantage. Measuring intellectual capital is a growing area of interest. The purpose of this study is to emphasize the importance of the intellectual capital assets and their advantages in reflecting the accurate financial position and the accurate values of Bahraini firms. This study also aims to measure the market-to-book ratios of Bahraini companies listed in Bahrain Stock Exchange (BSE) in 2006, and to analyze the current intellectual capital disclosure rules and reporting regulations in place in Bahrain. Moreover, this study aims to propose a set of general guidelines for Bahraini companies to be used in reporting the intellectual capital. The results show that Bahraini companies are not required to report on intellectual capital assets, therefore the current "traditional" accounting system in Bahrain is seems to be ineffective for measuring the true impact of such intangibles. Also the results show that the market values of 29 Bahraini companies listed in BSE were higher than their book values (i.e. they had market-to-book ratios of more than one), while only 10 companies had ratios of less than one (including 3 companies close to one). Accordingly, in most of Bahraini companies listed in BSE there is a considerable differences between their market values and their book values in year 2006, which indicate the presence of assets not recognized and measured in Bahrain companies' balance sheets. Intellectual capital assets account for a considerable proportion of this difference. Accordingly the author advise Bahraini companies' managers to adapt the "value creation index" to measure the impact of key intangible asset categories on a company's market value, by that managers will have a tools to better drive and monitor their company's future performance. Moreover, the author recommends changing the disclosure rules in Bahrain, because if disclosure rules changed in parallel with adopting the "value creation index", investors will be armed with a more uniform, less subjective and more robust way of evaluating Bahraini companies.*

**Keywords:** Intellectual Capital, Importance, Measuring, Reporting, Bahrain.

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**14. RELATIONSHIP BETWEEN CULTURAL INTELLIGENCE AND LOCUS OF CONTROL:  
APPLICATION TO EMPLOYEES IN MULTICULTURAL CORPORATIONS**

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**ABSTRACT**

*This study investigated the relationship between locus of control (LOC) and the four factor model of cultural intelligence (CQ) i.e. motivational CQ, metacognitive CQ, Cognitive CQ and behavioral CQ. Participants were 158 individuals working in multicultural organizations. Using regression analysis, results indicated that internal LOC was positively related to motivational, metacognitive and behavioral CQ. No relation was found between behavioral CQ and external LOC. Further studies could explore our findings in different settings and /or take into account mediating factors.*

**Keywords:** Cultural intelligence, Locus of control

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**15. SKILL SHORTAGE AND UNDERUTILIZATION OF EDUCATED IMMIGRANTS  
IN THE AUSTRALIAN LABOUR MARKET: A PARADOX**

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*Australia brings educated immigrants from different countries to bridge the gaps of acute skill shortage. It is argued that after coming to Australia, skilled and educated immigrants are not being properly utilized in the workforce. They are facing labour market disadvantages in various forms of unemployment, underpayment and deskilling. This paper identifies that the individual contextual human capital like English language ability, local credentials and experience are the main difficulties for proper integration into the labour market. Other than the individual attributes, this paper explores that successful integration may be shaped by organizational practices, in some cases discrimination by employers contributes to the devaluation of immigrants. The government policies also have a crucial role to minimize the underutilization of educated immigrants who come to support the knowledge-based economy of Australia.*

**Keywords:** Skill shortage, Skilled immigrants, Human capital, Underutilization

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**16. HRM PRACTICES TO MANAGE MULTICULTURAL WORKFORCE: DO THE RECOMMENDED  
BEST PRACTICES WORK FOR SMALL BUSINESS? A CASE STUDY**

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**ABSTRACT**

*The changing workforce demographics have significantly increased the importance of managing diversity at Australian workplaces. Effective diversity management is argued to be a potential source of competitive advantage. Diversity has several dimensions such as age, gender, marital status, religion, race, nationality, work styles, cultures, values and so on. This paper focuses on one particular aspect of diversity 'multi-culturalism'. This paper presents a case study of a privately owned small retail organisation in South Australia, popular amongst ethnic minorities as a migrant friendly employer. Practitioner and scholarly literature advocates certain best practices in the area of HRM for effective diversity management. The aim of the case study is to examine the extent to which the recommended 'best practice' work force diversity management practices were implemented in the HRM area that makes it successful. It was found that the diversity management practices in the HRM arena were informal and*

*typically managed by the owner. The owner/manager is able to create a positive multicultural environment without systematic application of best practices prescribed by the experts. It would be reasonable to say that this small business has developed its own HR management practices suitable to its requirements and the constraints that small businesses generally face as compared to medium or large business.*

**Keywords:** Workforce diversity, multicultural, human resource management, equal employment opportunity, affirmative action, case study.

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## 17. WHERE SHOULD WE GO TO? THE CHANGE OF MANAGEMENT COMPETENCIES

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### ABSTRACT

*Current executive development programs often overemphasize the individual characteristics within the process of competence management. They are mainly interested in the transfer of knowledge and skills. But managers have to integrate the new solutions into their behavior, their roles and the corporate culture of their companies. Most of the newly acquired knowledge is therefore abandoned after one or two trials in practice, because of the missing fit between these methods or concepts and often rigid culture – based on core values and path-dependency – of their home company.*

*One reason for this can be found in unreflected curricula, which only focus on the popularity and the money-making opportunities of a topic. What we need instead of this are research-based executive development programs that combine practical demands with theoretically and methodologically tested concepts. This especially comprises a profound identification of needs and a curriculum based on these findings.*

**Keywords:** Change Management, Competence Management, Competencies, Strategic Management

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## 18. THE HADLEY AND WHITIN'S EXACT INVENTORY MODEL WITH ARMA LEAD TIME DEMAND

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### ABSTRACT

*In this paper, we analyze and compute the reorder point, safety stock and order quantity of Hadley and Whitin's exact inventory model when the units demanded are generated by a serially correlated process and represented by an ARMA Box-Jenkins time series model when the lead-time is deterministic and probabilistic. The distribution of the forecast errors from the calculation process in Box-Jenkins' ARMA analysis are used as estimates with which the reorder point and safety stock, and order size are determined. In this research, the determination of the model's reorder point is based on the assumption that the demand is a random variable generated by an ARMA process and probabilistic discrete leadtimes.*

**Keywords:** Inventory Model, Lead Time Demand, ARMA Process, Forecasting, Excel Modeling

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**19. IS BET INDEX PORTFOLIO REPRESENTATIVE FOR BUCHAREST STOCK EXCHANGE?**

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**ABSTRACT**

*The present paper is the first of a series of paper investigating the oldest index calculated at Bucharest Stock Exchange - BET index. The representativity of the index is taken in consideration comparing its portfolio structure with the structure of traded sectors on Bucharest Stock Exchange main market. The main conclusion is that the BET index represents only half of the market sectors and company selection is made based mainly on liquidity and capitalization, than based on representativity and diversification.*

**Keywords:** Bucharest Stock Exchange, BET, Portfolio, Market Sectors, Capitalization

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**20. UNDERSTANDING THE CHALLENGE OF GENDER EQUITY IN CHINA: A PRELIMINARY STUDY**

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**ABSTRACT**

*Since embracing market economy principles and opening to the global economy China has achieved astonishing economic growth although many are questioning the ability of the current model to generate sustained productivity growth. Already China is experiencing acute skill shortages amongst particular groups of labour (eg. skilled managerial labour), notwithstanding the presence of a number of unemployment business and management graduates. Commentators are now questioning the role of institutions and gender equity as a way of engendering sustainable productivity growth. Building on this framework this paper uses a mixed methods approach to explore the question of gender equity in China. Although only a preliminary study the paper provides important insights into the inherent masculine bias in China and the consequent effects on the employment and career prospects of women. If China is to overcome the forecast labour shortages for professional managers it needs to be able to offer the same opportunities to women as men; it needs to be able to offer wide acceptance as women as general managers and it needs to overcome discriminatory practices that currently disadvantage women.*

**Keywords:** skill shortages, gender equity, leadership

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**21. IMPLEMENTING THE BALANCED SCORECARD IN PUBLIC INSTITUTIONS FOR HIGHER EDUCATION IN ROMANIA- AN INNOVATIVE PROJECT**

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Reka Volkan, Babe\_ Bolyai University, Cluj Napoca, ROMANIA  
Vasile Cardos, Babe\_ Bolyai University, Cluj Napoca, ROMANIA  
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*The paper describes the plan of a research project developed by a Romanian research consortium about elaborating and implementing a control and planning instrument based on the Balanced Scorecard adapted to the specificity of public higher education institutions. This subject has never been researched before in Romania, Balanced Scorecard being unused until now in Romanian public sector.*

**Keywords:** Public Sector, Control, Performant Management, Universities

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## 22. COMPETITION IN MATURE SOFTWARE MARKETS

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*A theoretical framework is built for capturing properties of competition in mature monopolistic digital product markets. Based on an empirical study of the market of accounting software for small and medium enterprises, a consumer choice model is suggested, where a rational consumer is already using a particular version of a software package and is considering to choose from the following three options: either to continue using it, or to upgrade to a newer version of the product, or to switch to a competitive product. Consumer decision is justified by software quality, and network effects, under the price and switching costs constraints. A modified consumer demand function is used for the model, and theoretical conditions are analysed for choosing from one of the three above-mentioned options. The results are applicable to a wide range of digital products.*

**Key words:** Mature markets; Product Quality; Consumer Choice; Monopolistic Competition.

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## 23. TRIPLE BOTTOM LINE REPORTING BY INDIGENOUS AND NON INDIGENOUS BUSINESS ENTERPRISES

S. Ram Vemuri, Charles Darwin University, Australia

### ABSTRACT

*Indigenous Business Enterprises are characterized by differences in managerial practices, leadership styles and decision-making structures, to those of the mainstream. They have been subjected to greater scrutiny than their counterparts especially in the area of financial accountability issues. In contrast, the main focus of scrutiny on non-Indigenous business enterprises, or mainstream businesses, has been related to social and environmental issues. The practice of simultaneously considering the three elements of business performance – financial, social and environmental – is known as “Triple Bottom Line Reporting”. This paper explores how impact assessments can be further improved through lessons learnt from the experiences of Indigenous and non-Indigenous business enterprises in dealing with Triple Bottom Line Reporting.*

**Keywords:** Indigenous Business, Triple Bottom Line, Financial Accountability, Impact Assessment

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