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Susan Godar, William Paterson University

Ilan Alon, Rollins College

Abstracts

Racism Revisited: Dysfunctional Consequences in the Era of Globalization

Terry A. Nelson, Ph.D. Student at University of Memphis

3675 Central Avenue

Memphis, TN 38152-3120

(901) 356-5661

tnelson4@memphis.edu

There are economical and population consequences that result in the integration of people from dissimilar nations, cultures, and backgrounds. This new era of globalization has also resulted in acts of harsh and violent discrimination toward new minorities seeking opportunities in nations outside of their birth. Despite developed countries' attempts to legally and socially eradicate overt, blatant, old-fashioned racism, it still exists at varying levels from country to country. Explicit incidents of racism have diminished, but a contemporary racism has emerged that is subtle, vague, and covert and that can be convincingly rationalized in the mind of the perpetrator hence, the term subtle racism. There is a need to develop effective cultural-based coping strategies specifically for work stress caused by subtle racism for existing and new minorities. We propose a conceptual coping model based on Lazarus and Folkman's (1984) theoretical framework to illustrate this purpose.

The Rebirth of FIX: Developing a Market Strategy to Compete in an Industry Dominated by

Multinational Companies

George Nakos, Clayton State University

This is a case study exploring the strategies available to a small company when it fights against multinational companies.

NPOs Marketing Practices in the USA and France: Differences and Success Factors

Dr. Virginie Pioche Khare, Assistant Professor,

The University of Tampa,

401 W. Kennedy Blvd.,

Tampa, FL 33606,

(813)257-3104

vkhare@ut.edu

This paper investigates two developed countries with different political and social backgrounds, namely the United States and France, and reviews marketing practices of non-profit organizations (NPOs) in both nations. Environmental differences are first presented before an analysis of two identical organizations operating in both countries, to see the extent to which they marketing practices differ. Secondary data from web sites are collected and analyzed to understand their marketing orientation.

The non-profit organization in the United States is found to have a much stronger marketing orientation than its counterpart in France. Its web site is much more sophisticated, complex and addresses the needs of all who may be interested in the NPO as user, donor, and/or volunteer. It also has a strong emphasis on emotional appeals in its communications and uses pictures profusely. Following the current technology and communication trends, it also includes connectivity to social media portals. The French site on the other hand remains static and simple, appealing to people's logic. It is not information-rich and is lacking pictures in its focus on recruiting volunteers. These differences are partially due to the social and political environments of the United States and France. American and French citizens' expectations and visions of the non-profit sector are dissimilar.

USING REVERSE MERGERS TO TAKE CHINESE COMPANIES PUBLIC ON U.S. SECURITIES MARKET: THE CASE OF CHINA AUTOSTAR

Dan Borgia, Ph.D

Professor and Director

Institute of Chinese Studies

Lutgert College of Business

Florida Gulf Coast University

10501 FGCU Blvd. South

Fort Myers, FL 33965-6565
239/590-7371 (Office)

239/590-7367 (Fax)

dborgia@fgcu.edu

Arthur Rubens, Dr.P.H.

Associate Professor
Department of Management

Lutgert College of Business

Florida Gulf Coast University

10501 FGCU Blvd. South

Fort Myers, FL 33965-6565
239/590-7840 (Office)

arubens@fgcu.edu

&

Travis Jones, Ph.D.

Assistant Professor
Department of Finance

Lutgert College of Business

Florida Gulf Coast University

10501 FGCU Blvd. South

Fort Myers, FL 33965-6565
239/590-7167 (Office)

tljones@fgcu.edu

ABSTRACT

The traditional method of taking a firm public, is through an initial public offering (IPO), however, this can be very expensive and time consuming; the firm must employ investment banking firms and corporate attorneys for an extended period of time and at great cost to guide them through the cumbersome Securities and Exchange Commission (SEC) mandated registration process. A reverse merger is an alternative and relatively simple, expeditious, and therefore less costly method by which a private company can become a public company. This case study traces the evolution of a reverse merger between a Chinese auto services firm and an American shell company. Given the importance of the economic emergence of China and its firms in the global economy, this case can provide students with a better understanding of the mechanics, advantages and challenges of an important method of taking foreign companies public. The case provides suggested study questions and teaching notes, including examples responses for each discussion question.

A Comparison of Employee Job Satisfaction in the Service Industry:

Do Cultural and Spirituality Influences Matter?

Sally Sledge

Management, Marketing and Entrepreneurship

School of Business

Norfolk State University

700 Park Avenue

Norfolk, VA 23504

Phone: (757) 833-5592

FAX: (757) 833-5592

Email: sasledge@nsu.edu

Angela K. Miles (contact author)

Department of Management

School of Business and Economics

North Carolina A & T State University

1601 E. Market Street

Greensboro, NC 27411

Phone: 336-334-7656 x6017

Fax: 336-334-7093

Email: akmiles@ncat.edu

Maartje Francoise van Sambeek

Nijmegen School of Management

Doddendaal 106

6511DG nijmegen

Netherlands

Email: Maartjevansambeek@student.ru.nl

The rapid globalization of services due to technology advances has made the topic of job satisfaction a heightened issue for service managers and workers. As a result, this concept has also caught the attention of academics. The factors that promote satisfaction among these workers vary and are likely influenced by culture and personal beliefs. Job satisfaction is a desirable outcome for employees and firms, yet the factors associated with job satisfaction remain a challenging phenomena. Much of the original and subsequent research on employee job satisfaction and motivation has occurred in the United States, but few studies have qualitatively assessed job satisfaction across other cultures. This research incorporates Hackman and Oldham's Job Diagnostic Survey in an evaluation of job satisfaction among employees in the global services industry. The findings support Hackman and Oldham's Model. Managerial insights related to Hofstede's dimensions of culture and the value of spirituality in the workplace are also given.

Sari Organic Strives for a "Green Bali":

Social Entrepreneurship and Sustainable Development in the Midst of Indonesia

Everlyne Misati (Contact Author)

Rollins College

Crummer Graduate School of Business

Phone: (407) 733-8353

E-mail: emisati@rollins.edu

Ilan Alon, Ph.D. (Faculty Supervisor)

Cornell Professor of International Business

Director of the China Center

Rollins College

Phone: (407) 646-1512

Fax: (407) 646-1550

Email: ialon@rollins.edu

This teaching case provides a social entrepreneur's (Oded Carmi) background, a description of the environment in Ubud – Bali - Indonesia, and discusses the challenges that the social entrepreneur is facing as the founder and owner of an organic farm (Sari Organik) and a restaurant (Warung Bodag Maliah or overflowing basket). His main challenge is to sustain and replicate his business model across Bali and eventually other parts of Indonesia, and his

initial thoughts include three options;

1. To utilize the established village system and its leadership (religious & civil) to re-introduce traditional rice farming culture in Ubud, Bali and eventually Indonesia.
2. To introduce a new model such as micro-franchising through which he (the micro-franchiser) would recruit a number of local farmers (micro-franchisees) and provide them with the resources to grow rice organically.
3. To expand his business as a sole proprietor, i.e. buy more land and increase organic rice production – this was his least favorite option since it would go against his mission of involving the community.

The Internationalization Patterns of Firms: A Value Chain Internationalization Framework Approach

Roberto Curci, Ph.D.

Associate Professor of Finance

College of Business

Butler University

Robert Mackoy, Ph.D.

Associate Professor of Marketing

College of Business

Butler University

Noriko Yagi, Ph.D.

Assistant Professor of Management

College of Business

Butler University

Corresponding author:

Roberto Curci, Ph.D.

College of Business

Butler University

4600 Sunset Ave.

Indianapolis, IN 46208

Phone: 317(940)9980; Fax: 317(940)9455

Email: rcurci@butler.edu

We develop and propose the value chain internationalization framework as a useful tool for addressing the question of how firms internationalize. It classifies organizations based on the relative degree to which their management engages in international “upstream” and “downstream” value chain activities. To test the framework validity and usefulness, we propose and test hypotheses involving variables commonly used to measure the degree of internationalization of a firm. The framework is tested using a representative cross-section of organizations based in Indianapolis. Our findings suggest different levels of internationalization are associated with the categories in which firms are classified within the framework. Therefore, the framework shows promise as a useful conceptual and empirical model for investigating how firms internationalize and the internationalization patterns of firms.

Diffusion and Consumer Use of the Internet: A Cross-National Investigation

David Kuhlmeier

Assistant Professor

Valdosta State University

Gary Knight

Associate Professor

Florida State University

Contact: Gary Knight:

gknight@fsu.edu

Researchers have examined the diffusion and adoption of technologies in national and international settings. In this study, we investigate the cross-national consumer behavior regarding the intention to buying products and services online via the Internet. An empirical study of 344 Internet users from France and the United States reveals a positive association between Internet use, both in terms of hours/week and years, and the intention to purchase online. Findings also reveal a negative association between perceived Internet risk and the intention to purchase. Risk has a mediating effect on the relationship between Internet use and purchase intention. However, results vary between France and the United States. Study findings are used as a context for discussing the universality of popular theoretical perspectives related to the technology acceptance and the diffusion of innovations. We found that various factors can affect consumer perceptions of risk about buying products and services via the Internet. On the one hand, facility with using the Internet appeared to diminish risk perceptions among online buyers in France. On the other hand, experience with the Internet emerged as a key factor reducing risk perceptions in the United States. In both countries, risk perceptions significantly affected the likelihood that a consumer would purchase goods online. We discuss the results regarding their theoretical and practical implications. Results of the study provide insights into buyer behavior using the Internet,

which in turn may enhance the level of online business adoption and the likelihood of success of firms that seek to sell their offerings via the Internet.

Cultural Influences on MBAs' Career Goals: Evidence from 23 Countries

Saba Colakoglou, Berry College

Paula Caigiuri, Rutgers University

Contact: Saba Colakoglu, scolakoglu@berry.edu

We examine the career goals of the next generation of managerial talent on a global scale using data from a survey of 9,133 MBA students in 23 countries. Specifically we examine whether, on average, students from countries that rate high vs. low in a given cultural dimension are more or less attracted to particular career goals. Results suggest that graduate business students have career goals that are generally consistent with their respective countries' cultural values of power distance, individualism, and masculinity but not with the cultural value of uncertainty avoidance. Results also point to general trends with respect to career goals that students are attracted to across the board - such as a desire to work internationally and a desire to work with increasingly challenging tasks. Theoretical implications for cross-cultural values and practical implications for managing the next generation of managerial talent are discussed.

The Influence of the Institutional Environment on Entrepreneurial Intent: A Fourteen Country Study

Christopher Schlaegel (contact author)

Otto-von-Guericke-University, Magdeburg, Germany

christopher.schlaegel@ovgu.de

Robert L. Engle

Quinnipiac University, Hamden, USA
robert.engle@quinnipiac.edu

Xiaohong He
Quinnipiac University, Hamden CT, USA

Jose V. Gavidia
College of Charleston, Charleston, SC, USA

Servane Delanoë

Toulouse Business School, Toulouse, France

Drawing on the theory of planned behavior, this study examines the influence of both the informal and formal institutional environment on entrepreneurial intent and its formation. Using a sample of 14 countries, including survey data of 2,063 university business students, we examine the direct and indirect influence of cultural, economic, and regulatory factors on entrepreneurial intent and the relation between entrepreneurial intent and its determinants. The results show that Hofstede's (1980) cultural dimensions directly affect entrepreneurial intent and moderate the relation between entrepreneurial intent and its antecedents. Moreover, the results confirm previous research, showing that higher gross domestic product per capita and more favorable regulatory conditions are negatively related to entrepreneurial intent. The results as well as their implications for theory and practice are discussed and further research directions are outlined.

Economies in Transition: An Exploratory Study of the Eastern European Economies and the Relationship Between Time Under Soviet Socialism and Economic Development

Dr. Edwin C. Moore Jr.

Northwood University

2600 N. Military Trail

West Palm Beach, FL 33409

mooree@northwood.edu

The Eastern European economies have experienced slow growth since the collapse of the Soviet Union. Evidence is mixed concerning why they did not develop more rapidly, especially due to their closeness to Western Europe. This paper addressed one possible relationship: The rate of growth and the time under Soviet style socialism. The evidence indicates that the length of time under Soviet style socialism did not influence the rate of economic growth of the eastern European economies.

Russian Reformers' Quest to Join Two Key International Organizations: The Organization for

Economic and Cooperative Development (OECD) and the World Trade Organization (WTO)

John R. Patton, DBA

Associate Professor

Nathan M. Bisk College of Business

Florida Institute of Technology

150 W. University Blvd.

Melbourne, FL 32901

Tel: 321.674.8782

Fax: 321.674.8896

Email: jpatton@fit.edu

Russia has long sought to join international institutions in order to increase its posture and symbolize its integration into the international community of nations. Despite being a permanent member of the United Nations Security Council, reformist Kremlin strategists recognize the need to modify the country's commodity-dependent export economy by joining international trade organizations in order to stimulate knowledge-based growth and to diversify the economy. This paper discusses the accession negotiations and challenges Russia faces in acquiring membership in the OECD and the WTO. It is in the best foreign policy and international trade interests of the United States to support this Russian quest to join the community of market economies so that it can attract more foreign investment and technical expertise. The paper concludes with comments on how the United States can assist Russia in economic modernization and international integration as a world trading partner.

Business Groups, International Competition and Economic Development in Emerging Markets:

An Overview of Mexico's Largest Firms Over Time

Eduardo Jarque, University of Tokyo (Japan)

Contact: Eduardo Jarque (uejarque@mail.ecc.u-tokyo.ac.jp)

The formation of (domestic) Business Groups (BGs) has been a common phenomenon in developing countries around the world, and more specifically in emerging market economies. This paper analyzes the current contribution of Mexico's 500 largest enterprises to economic (and social) development; and how they have evolved over the past 2 decades. In this period new big business groups (BGs) emerged, positioning themselves in strategic industries, combining resources to allow the formation of Latin America's main leading emerging multinationals. What are the industries in which those groups' main companies compete (and success) locally and internationally; and the extent of which this success has placed Mexico's as a leading country in Latin America is explained

Carving Up Corruption: Analyzing the "Rule" Component of the Corruption Event

Mikelle A. Calhoun

Assistant Professor

Georgia Southern University

Department of Management, Marketing and Logistics

P.O. Box 8154

Statesboro, GA 30460-8154

Telephone: 912-478-5526

Facsimile: 912-478-1523

e-mail: prof.calhoun@gmail.com

Corruption has long been a source (i) of argument as to its meaning and ethical implications and (ii) of interest as to its effects on the multinational firm. Scholars in many fields have studied corruption, though coordination of efforts to provide a comprehensive understanding have been found lacking (see generally, Robertson & Watson, 2004). Unfortunately, the problems associated with corruption continue. The purpose of this paper is to commence a dialogue focusing on the nature of corruption. This analysis involves a dissection of corruption with particular focus on the nature of the institutional rule being circumvented by the corrupt activity. This paper focuses on the institutional rule, which may be limited to an industry or may be more broadly applicable as a formal law or an informal norm. Characteristics of the subject “rule” may influence the likelihood of corruption and may in future work aid in identifying improved mitigation tactics.

The Role of Regional AIB Associations in the Development of IB: The Case of AIB SE USA

(A Review of Best Practices and Future Possibilities)

Cheryl A. Van Deusen (cvandeus@unf.edu)

Shaun Brophy

University of North Florida

Internationalization of business schools has been an ongoing objective that has become even more important with accreditation organizations recognizing the importance of globalization. Some scholars feel that the business schools within the United States have been slow to implement internationalization or hindered in their efforts and that this is a challenge yet to be met (Cavusgil, 1993). We believe that the regional AIB chapters around the globe can assist universities in achieving this goal. Thus, the purpose of this study is to identify the current positions and best practices of the AIB World regional associations to see how they assist institutions in the integration of international business into their curricula so that other chapters may support institutions in their geographical areas while increasing membership into AIB World and their respective chapters.

Role of the State in Kenya's Private Sector Development: A Normative Framework

Nanda R. Shrestha, Florida A&M University

Wilbur I. Smith, Florida A&M University

Charles L. Evans, Florida A&M University

Contact: Nanda R Shrestha (pokhara@yahoo.com)

History shows that capitalistic economies do not develop freely; they require systematic state involvement to spur the development of the private business sector in its early phases and to sustain its continued growth and expansion during the later phases. Guided by this premise, this paper expects to achieve the following:

1. It argues that the Kenyan state should play an active role to propel its private sector to a dynamic realm where it generates gainful employment through expansive growth. At present, Kenya's private firms and public agencies are rife with inefficiency, red tape, and corruption. These socioeconomic ills are further plagued by inadequate infrastructure and underperforming health care, policing, and criminal justice systems and are compounded by ethnic tensions and conflicts. Compared to the economic development of Southeast Asian countries, Kenya's performance generally falls far behind, even though their post-colonial development trajectories started at about the same place. In essence, unlike Southeast Asia, Kenya's recent efforts to boost its private sector remain marred by poor management of the key environmental forces of national competitiveness and productivity.

2. Next, the paper advances a normative framework that revolves around four environmental forces: techno-economic, politico-institutional, socio-demographic, and cultural. These forces are closely intertwined and form a broad-based ecosystem for managing through the three distinct phases of private sector development: early, growth, and mature. When these forces are actively developed and well-managed, they feed into each other, creating a virtuous circle and, thus, serving as the cornerstones of private sector and national development.

Culture and Offshore Outsourcing

Jack Clampit¹

Ben Kedia¹

Nolan Gaffney¹

¹ Wang Center for International Business Education and Research (CIBER)

University of Memphis

Correspondence: jclampit@memphis.edu

The literature regarding determinants of offshoring success is mixed. Scholars often cite problems stemming from national cultural differences as a key reason for unsatisfactory

results. Calls for scholarly examination along these lines, however, have generally gone unmet, as studies generally continue to stress other key topics or offer cursory considerations of culture with little theoretical grounding. Drawing on literature associated with the concepts of cultural friction, trust, and bounded reliability, this paper offers a dynamic, stage-based view of offshoring that illustrates how, when, and why culture affects partnership credibility and, ultimately, client satisfaction.

The Role of Buyer-Supplier Relationship in Foreign Direct Investment Behavior of Individual Firms:

The Case of Japanese Automotive Parts Manufacturers

Melkiory P. Ngido
PhD Candidate - Commercial Science
Department of Modern commerce
Otaru University of Commerce
Contact address: KitaKu Kita15 Nishi3
1-17 Hoosetsu Haimu 12.
001-0015 Sapporo. JAPAN.
Mobile Tel: +81-80-6095-1976

Most of studies on the Foreign Direct Investment (FDI) of Japanese firms have pointed the strength of inter-firm linkages on the FDI behavior of ancillary firms. Moving away from the describing the FDI behavior of Japanese ancillary firms as a synonym of persistence in exchange relationship, this paper suggests that the examination of aspects of a specific buyer-supplier relationship can provides a potential methodological approach for analyzing variations in FDI behavior across firms in the industry. The conceptual analysis of this study is based on some empirical facts from the pooled data of eight Japanese auto-parts manufacturers related to Mazda Motor Corp (Mazda). At the end analytical framework and a number of propositions that represent the vector of forces which suggests a firm being more alert to changes in industrial landscape are presented.

The Impact of Corporate Governance: Evidence from Cross-Border Acquisitions

Maureen Muller-Kahle
Assistant Professor of Management
Penn State York
1031 Edgecomb Avenue
York, PA 17403-3398
Cell 757-268-1735
(email) mullermi@yahoo.com

The following research question is asked: do companies with good corporate governance see higher returns after cross-border acquisitions than those with poor corporate governance? I use the corporate governance index developed by Gompers et al. (2003) and examine 227 cross-border acquisitions made by US firms between 1990 and 2006. Findings indicate a negative relationship between shareholder returns and a firm's level of corporate governance. In this study, agency theory falls short in explaining why firms with lower level of corporate governance experience higher returns after foreign acquisitions. I turn to institutional theory and the premise of decoupling, whereby corporations go through the motions to appear that they have good governance practices, but really don't. Monks (2007) suggests that the corporate governance indexes are a complete sham. Findings suggest that decoupling is a viable corporate strategy and that the corporate governance indexes fall short in identifying firms with good corporate governance.

The Role of Relational Ties in International Mergers and Acquisitions: A Multinational Corporation Perspective

Daniel Rottig, Ph.D.

Assistant Professor

Florida Gulf Coast University

Lutgert College of Business

Department of Management
10501 FGCU Boulevard South

Fort Myers, FL 33965

E-mail: DRottig@fgcu.edu

Phone: 239-590-1247

This paper explores the role of relational ties in international mergers and acquisitions (M&As) of multinational corporations. Based on social capital theory, a conceptual framework is developed which explicates how the formation and mobilization of relational ties facilitates the implementation of M&As across cultural borders. It is proposed that organizational and national cultural differences adversely affect the sociocultural integration of M&As. The theoretical model developed in this paper suggests that internal and external social capital mitigate the negative effects of organizational and national cultural differences on the effective sociocultural integration, and so shows how relational ties may contribute to the successful implementation of international M&As.

Knowledge Transfer, Organizational Learning, and the Performance of International Strategic

Alliances in Emerging Markets

Mia (H.-W.) Ho

PhD Candidate

Department of Management

King's College London

Franklin-Wilkins Building

Stamford Street

London SE1 9NH

United Kingdom

+44-7588665272

hsiao-wen.ho@kcl.ac.uk

This research aims to unpack the paradoxical issues involving in knowledge transfers by synthesising knowledge transfer, organisational learning, and alliance performance literature to develop a complete research framework and empirically investigate the determinants, patterns and outcomes of knowledge transfers in international strategic alliances in emerging economies. Based on four theoretical groundings – resource-, knowledge-, institution-based and relational views – a sequence of hypotheses are developed along with the research framework to be further tested in the empirical study. A descriptive research design and the deductive approach will be employed in this study by a two-step method in terms of collecting both quantitative and qualitative data. Specifically, a sample of 671 Taiwan-based Information and Communication Technology manufacturers with international strategic alliance experience will be surveyed in the first step by both mail and web-based questionnaires. Further, multiple in-depth case study research will be conducted by face-to-face interviews with professional observers from different organisations, such as the surveyed firms, universities, and national research institutions, to piece the puzzles of knowledge transfer issues from different perspectives with respect to delving into the unobservable phenomena in the first step. The results of this research will be of great interest both for academics and practitioners because it is the first study to clearly portray the whole picture of the knowledge transfer process by explicating different partners' behaviours towards the knowledge transfer process, both from the transferor's and the recipient's perspectives; associating the factors derived from institutional environments, relational embeddedness, as well as the ambiguous trait of knowledge itself with the knowledge transfer process, and proposing the mediating role played by organisational learning to bridge the research gaps between knowledge transfer and alliance performance in the prior research.

Can Country Risk Factors Explain Returns to US Financial Bidders in International M&As?

Halil Kiyamaz, Rollins College

Contact: Halil Kiyamaz (hkiymaz@rollins.edu)

This study investigates the impact of country risk ratings on the wealth gains to U.S. financial bidders during their acquisition announcements. The findings indicate that U.S. financials experience weakly significant wealth gains around announcement date. The wealth gains are highly significant for acquisitions in Latin America. There are also differences in wealth gains with respect to sub-sector affiliations of financials, banks experiencing wealth loss while both insurance and investment services firms having significant wealth gains. The country risk factors, including economic, political, and financial risk ratings, help to explain the wealth gains to financial bidders. Among other variables, the level of economic development, economic outlook of target country, GNP correlation with target country, and exchange rate volatility largely explain the wealth gains to financial bidders.

Gulf Coast Shrimp Demand During the BP Oil Spill: Consumer Ethnocentrism at the Start of Brown

Shrimp Season Using a Snapshot Convenience Sample

John T. Lambert , The University of Southern Mississippi

David L. Duhon, The University of Southern Mississippi

Joseph Peyrefitte, The University of Southern Mississippi

Contact: johntlambert@yahoo.com

As of the authorship of this manuscript, millions of gallons of oil have flowed for fifty six days into the Gulf of Mexico, the aftermath of the April 20, 2010 blast on the rig Deepwater Horizon. At this time, fisheries and the delicate ecosystems that support them are in jeopardy, as oil and oil dispersant chemicals take over vast tracts of open water and wash into marshes. Gulf coast consumers remain strongly loyal to their gulf shrimp, but are somewhat concerned about their safety. Using Consumer ethnocentrism as a theoretical base for this study, a convenience sample of 560 people provides the basis for this data.

The Effects of Consumer Cosmopolitanism on Foreign Purchase Behavior

Oliver Parts, Tallinn University of Technology, Estonia

Irena Vida, University of Ljubljana, Slovenia

Contact: irena.vida@f.uni-lj.si

The purpose of this empirical study is to investigate the effects of consumer cosmopolitanism on foreign product purchase behavior in three major categories of consumer products. Based on the existing theoretical and empirical knowledge, we develop a conceptual model and identify two other relevant socio-psychological constructs as antecedents of foreign purchase behavior, i.e., consumer ethnocentrism and consumer knowledge of brand origins. The

measurement model is examined using a data set of 261 adult consumers and tested via structural equation modeling. The study results confirm the strong total effect of consumer cosmopolitanism in purchase behavior and indicate a strong direct effect of this phenomenon on the behavioral outcome. On the other hand, we established no direct relationship between cosmopolitanism and consumer knowledge of brand origin.

The Effects of Culture on Risk Perceptions, Trust and Charismatic Leadership

David Bechtold, University of Tampa

Ko-Hui Tung, Long Sheng Technologies

Contact: David Bechtold (dbechtold@ut.edu)

Charismatic leaders require trust to be effective (Bass, 1985). Trust is even more critical when leaders communicate information regarding a risky situation or crisis (Kasperson, Kasperson, Pidgeon & Slovic, 2003). Trust, like risk perceptions and charismatic leadership, can be influenced by an individual's personal values and by their culture. Based upon an exploratory study on the effects of culture on risk perceptions and trust the following paper considers the effects that culture (particularly those values closely associated with individualism and collectivism) plays upon the establishment of trust in leaders under crisis. It is proposed that charismatic leadership is a dynamic interaction of the emotionally perceived risks associated by a crisis, the trust placed in leaders who respond to the crisis, and the culture that leaders and followers live within. Research propositions are included as part of this paper.

Antecedents of Cultural Intelligence: A Multicultural Study

Thao Truong, Quinnipiac University

Suaad Dawuni, Quinnipiac University

Contact: thaotruong1210@yahoo.com

The aims of this study were threefold; first, to examine three antecedents; multicultural experiences, languages, and innovativeness of CQ among business students, second, to investigate the effects of CQ on foreign job acceptance, and third, to compare the level of cultural intelligence between the French and US business students. The data collected from 104 respondents from America and 68 respondents from France. The findings of the study show that multicultural experiences, languages, and innovativeness enhance the level of cultural intelligence on all subjects studied; culturally intelligent people will be more likely to accept a foreign job position; and the subjects studied in France have higher CQ than the studied subjects in America.

The Development & Assessment of Ethical Reasoning Skills: The Case of Rollins' International Business Major

Donald P. Rogers, PhD, SPHR, GPHR

Professor, International Business

Director, Master of Human Resources (MHR)

Department of International Business

Rollins College

Winter Park, FL 32789-4499

407-646-2348

drogers@rollins.edu

For many business schools attempting to develop useful Assurance of Learning programs the assessment of thinking skills has been a more significant challenge than the assessments of knowledge or behavioral skills. This paper discusses the process and problems involved in the assessment of ethical reasoning skills. We will present a case study from an AACSB Accredited school on a program for the assessment of Ethical Reasoning Skills designed to meet the expectations of AACSB, SACS, and AAC&U.

Foreign Direct Investment Vs. Foreign Portfolio Investment: The Effect of the Government Environments

Jun Wu

College of Business Administration

Savannah State University

Savannah, GA 31404

Email: wuj@savannahstate.edu

912-358-3383

912-358-3884 (fax)

Shaomin Li

Department of Management

Old Dominion University

Norfolk, VA 23529

Email: sli@odu.edu

757-683-4883

757-625-1765 (fax)

David D. Selover (Corresponding Author)

Department of Economics

Old Dominion University

Norfolk, VA 23529

Email: dselover@odu.edu

757-683-3541

- We examine the effect of a country's governance environment on the foreign investment it attracts. We classify countries based on the dominant mode of governance into three types: (1) rule-based (strong public rule of law), (2) relation-based (weak rule of law and strong informal networks), and (3) family-based (absence of both public rules and informal networks).
- We then examine how different governance types affect foreign investment patterns among 45 countries. Our main argument is that the choice of investment—direct or portfolio—is influenced by the type of property protection associated with different governance modes.
- We find that rule-based countries attract the lowest amount of FDI relative to the total amount of foreign investment, and they have the largest stock market size relative to their economies.
- Our study contributes to the foreign investment literature by bringing the governance environment into the equation and more successfully explaining why some countries have relatively large foreign direct investment ratios and relatively small foreign portfolio investment ratios.

Dividends and Agency Issues: Empirical Evidence from Germany

Nalinaksha Bhattacharyya

University of Alaska Anchorage

Julie Ann Elston

Oregon State University

228 Cascades Hall, 2600 NW College Way

Bend, OR 97701-5998

Tel./Fax. (541) 322 3165/322 3139

Julie.Elston@osucascades.edu

Many previous studies have found that dividend payout ratios are negatively related to executive compensation in Canada and the U.S. This study investigates whether such relationships hold in alternative institutional environments –such as Germany. Preliminary evidence from this study shows that there is negative relationship between dividend payout ratios and executive compensation in Germany, suggesting that agency costs play an important role in dividend behavior in Germany.

A Comparative Review and Analysis of the Movement Toward a Global Accounting Standard

Mohamad Sepehri, Ph.D.

Jacksonville University

Robert Houmes, Ph.D.

Jacksonville University

Contact: Mohamad Sepehri (msepehr@ju.edu)

This study provides a comparative discussion of arguments for and against initiatives to implement a universal (or global) accounting system. We consider the potential influence of these initiatives on global markets in terms of their relative relevancy and reliability for providing comparable as well as equivalent financial reporting for decision making by both investors and corporations. The paper provides in depth review and analysis of the major differences between a rule-based and principles-based accounting system including the benefits and drawbacks of a move to a principles-based accounting system.

Volatility of the Equity Market Around the Announcement of Capital Control

Chaiporn Vithessonthi*

Maharakham Business School

Maharakham University

Kantarawichai, Maharakham 44150 Thailand

Phone: +66 43 754 333

Fax: +66 43 754 422

E-mail: chaiporn.v@acc.msu.ac.th

Jittima Tongurai

E-mail: jtongurai@yahoo.com

*Corresponding author

This study explicitly examines the effects of the announcement of a control on capital inflows in Thailand on the volatility of the stock market. Measuring the volatility of the overall stock market and the eight industry groups as the standard deviation of the daily returns on the SET index and the industry indexes during the 30 trading days (i.e., from day $t-29$ to day t) and testing for robustness using the standard deviation of the daily returns with four different lengths (i.e., 50, 100, 150, and 200 days), our results suggest that, contrary to a theoretical prediction, the volatility of the equity market, represented by the SET Index and the eight industry indexes, increased significantly around the introduction of capital control on December 18, 2006. This pattern of stock return volatility is consistent across industries, though with different degrees of volatility amongst industry groups. Our findings present empirical evidence of the negative effects of capital control on the stock market performance. The imposition of capital control not only has a negative effect on stock prices, but also increases the volatility of equity prices.

Proactive Personality and Intent to Remain with an Organization: Understanding Factors Affecting

Retention of Israeli Employees

Ellen Drost, California State University, Los Angeles (United States)

Veena P Prabhu, California State University, Los Angeles (United States)

Contact: vprabhu@calstatela.edu

This study examined the factors which affect retention of proactive employees. Data was collected from employees in Israel and the results supported the mediating effect of three factors—organizational commitment, perceived organizational support and managerial communication in the relationship between proactive personality and intent to remain with the organization. Implications for organizations and future research are discussed.

Factorial Validity of the Academic Motivation Scale: Comparing United States and Ghana Samples

Edward Osei Akoto, Jackson State University

Contact: EDWARD.O.AKOTO@STUDENTS.JSUMS.EDU

The purpose of this study was to examine the factorial validity of the academic motivation scale across two diverse samples. Data from 445 undergraduate business students from two universities in the US (267) and Ghana (178) was analyzed using multi-group CFA procedure in LISREL 8 to assess measurement equivalency and the fit of the academic motivation scale to the non-western context. After baseline models were established, a hierarchy of successively restrictive models were specified and estimated. Some support was found for factorial, metric and scalar invariance across the two samples. Implication and direction for future research are discussed.