



International Conference Proceedings

October 12 – October 13, 2017

Table of Contents

<u>THE EXISTENCE OF NONARTICULATION IN THE FINANCIAL STATEMENTS OF SAUDI COMPANIES.....</u>	13
FERAS ALGHAMDI, TAIBAH UNIVERSITY	13
TERRY J. WARD, MIDDLE TENNESSEE STATE UNIVERSITY	13
<u>SENSITIVITY ANALYSIS OF STANDARD COSTING SYSTEMS</u>	14
CHIAHO CHANG, MONTCLAIR STATE UNIVERSITY	14
<u>A COMPARATIVE STUDY ON COMPLIANCE WITH FULL IFRS AND IFRS FOR SMES AND THE IMPACT OF DISCLOSURE INDEX ON FIRMS' PROFITABILITY AMONG REAL ESTATE ENTITIES.....</u>	15
RODIEL C. FERRER, DE LA SALLE UNIVERSITY.....	15
<u>FINANCIAL MANAGEMENT PRACTICES OF SMALL AND MEDIUM ENTERPRISES IN NUEVA ECIIA.....</u>	17
GAUDENCIO P. GALLARDO JR., CENTRAL LUZON STATE UNIVERSITY	17
RODIEL C. FERRER, DE LA SALLE UNIVERSITY.....	17
<u>THE EFFECTS OF CORPORATE TAX AVOIDANCE ON FINANCIAL PERFORMANCE AND FIRM VALUE OF PUBLICLY-LISTED INDUSTRIAL FIRMS IN THE PHILIPPINES</u>	24
JOAN MAE M. LUGTU, DE LA SALLE UNIVERSITY	24
RODIEL C. FERRER, DE LA SALLE UNIVERSITY.....	24
<u>THE IMPACT OF INTANGIBLES ON THE VALUE RELEVANCE OF ACCOUNTING INFORMATION: AN EMPIRICAL EXAMINATION OF LISTED COMPANIES IN THE PHILIPPINES FROM 2012 TO 2016</u>	30
ROMAN JULIO B. INFANTE, SORSOGON STATE COLLEGE.....	30
RODIEL C. FERRER, DE LA SALLE UNIVERSITY – MANILA	30
<u>IMPACT OF REAL EARNINGS MANAGEMENT ON FINANCIAL PERFORMANCE AND FIRM VALUE: EVIDENCE FROM THE PHILIPPINES</u>	36
RINA A. ABNER, DE LA SALLE UNIVERSITY, PHILIPPINES	36
RODIEL C. FERRER, DE LA SALLE UNIVERSITY, PHILIPPINES	36

<u>IMPACT OF CORPORATE TRANSPARENCY ON TARGET FIRM'S ACQUISITION OPPORTUNITIES AND PREMIUMS: A SHORT-TERM STUDY</u>	<u>43</u>
Y. LING LO, WESTERN KENTUCKY UNIVERSITY	43
<u>REVIEW OF RESPONSIBILITY ACCOUNTING: ILLUSTRATION OF INTERNAL RELATIONSHIPS AMONG COST ACCOUNTING, MANAGERIAL ACCOUNTING AND RESPONSIBILITY CENTERS</u>	<u>44</u>
IFFAT MAHMUD, TENNESSEE TECH UNIVERSITY	44
ISMET ANITSAL, TENNESSEE TECH UNIVERSITY.....	44
MELEK MERAL ANITSAL, TENNESSEE TECH UNIVERSITY	44
<u>THE DEMISE OF THE U.S. TREASURY'S MYRA RETIREMENT PROGRAM: WHY IT FAILED</u>	<u>45</u>
RICHARD POWELL, PEPPERDINE UNIVERSITY	45
STEVEN FERRARO, PEPPERDINE UNIVERSITY.....	45
<u>FROM QUALIFIED, GOING-CONCERN TO UNQUALIFIED, CLEAN OPINIONS</u>	<u>46</u>
TAE G. RYU, METROPOLITAN STATE UNIVERSITY OF DENVER	46
GREGORY CLIFTON, METROPOLITAN STATE UNIVERSITY OF DENVER	46
<u>LABOR SUPPLY, ENDOGENOUS WAGE DYNAMICS AND TAX POLICY</u>	<u>47</u>
RICARDO SANTOS, TRINITY UNIVERSITY	47
ARPAD ABRAHAM, EUROPEAN UNIVERSITY INSTITUTE	47
JAY HONG, SEOUL NATIONAL UNIVERSITY	47
<u>THE ECONOMIC IMPACT OF PCAOB'S NEW AUDITING STANDARD REGARDING CRITICAL AUDIT MATTERS, AUDITOR TENURE, AND STANDARDIZED REPORT FORMAT</u>	<u>48</u>
SHARON SEAY, UNIVERSITY OF WEST GEORGIA	48
<u>CREDIT UNIONS: THE NEGLECTED DEPOSITORY INSTITUTION.....</u>	<u>49</u>
THOMAS W. SECREST, COASTAL CAROLINA UNIVERSITY	49
<u>AM I REQUIRED TO DISCLOSE THIS? AN EXAMINATION OF A LITIGANT'S DUTY TO PRODUCE AN EXPERT'S PREVIOUS REPORTS AND TRANSCRIPTS IN FEDERAL LITIGATION</u>	<u>50</u>

DIANA BROWN, SAM HOUSTON STATE UNIVERSITY	50
JIM SQYRES, SAM HOUSTON STATE UNIVERSITY	50

ASSESSING PERCEIVED DIGITAL LITERACY AMONG MILLENNIALS AND GENERATION Z COMPUTING MAJORS..... 56

LINDA JO CALLOWAY, PACE UNIVERSITY	56
SUSANNE O'CALLAGHAN, PACE UNIVERSITY	56
JOHN WALKER, QUEENS COLLEGE/CUNY	56
CATHERINE DWYER, PACE UNIVERSITY.....	56
RAYMOND ELSON, VALDOSTA STATE UNIVERSITY	56

MINIMIZING TURNOVER INTENTION: CAN ENGAGED LEADERS INFLUENCE OUTCOMES? 57

GARY A. COVELLA, AUSTIN PEAY STATE UNIVERSITY	57
BELAL A. KAIFI, TRIDENT UNIVERSITY INTERNATIONAL	57
VIKKIE MCCARTHY, AUSTIN PEAY STATE UNIVERSITY.....	57
DANIEL J. CORCORAN, TRIDENT UNIVERSITY INTERNATIONAL	57

SCHEDULING – SOMETHING INTERESTING HAPPENED ON THE WAY TO UNDERSTANDING MANUFACTURING COMPLEXITY..... 58

T. J. GABRIEL, UNIVERSITY OF NORTH GEORGIA	58
LAWRENCE D. FREDENDALL, CLEMSON UNIVERSITY	58

EXPLAINING THE USE OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE INDICATORS .. 64

JEFFREY J. JEWELL, LIPSCOMB UNIVERSITY	64
JEFFREY A. MANKIN, LIPSCOMB UNIVERSITY	64
JULIO A. RIVAS, LIPSCOMB UNIVERSITY	64

THE EFFECTIVENESS OF COLLEGE FOOTBALL RECRUITING RATINGS IN PREDICTING TEAM SUCCESS: A LONGITUDINAL STUDY 65

JEFFREY A. MANKIN, LIPSCOMB UNIVERSITY.....	65
JULIO A. RIVAS, LIPSCOMB UNIVERSITY	65
JEFFREY J. JEWELL, LIPSCOMB UNIVERSITY	65

STUDENT LOANS: STRESS ON BOTH BORROWERS AND LENDERS..... 66

RICHARD POWELL, PEPPERDINE UNIVERSITY	66
--	-----------

STEVEN FERRARO, PEPPERDINE UNIVERSITY	66
<u>ORGANIZATIONS AS VISCOUS FLUID</u>	<u>67</u>
THOMAS R. ULRICH, REGENT UNIVERSITY	67
<u>YOU'RE DOING IT WRONG: AN ANALYSIS OF STRUCTURED STUDENT FEEDBACK IN ONLINE CLASSES AND ITS IMPACT ON STUDENT PERFORMANCE</u>	<u>68</u>
ALAN BELCHER, ASHFORD UNIVERSITY	68
BRADFORD FRAZIER, BELMONT ABBEY COLLEGE	68
<u>WHY SHOULD INDIVIDUALS PRESENT AT THE INSTITUTE FOR GLOBAL BUSINESS RESEARCH</u>	<u>69</u>
SHAWN M CARRAHER, UNIVERSITY OF TEXAS AT DALLAS	69
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	69
<u>CULTURAL IMPACTS ON OFF-CAMPUS TEACHER TRAINING PROGRAMS ON TEACHER CANDIDATE AND COMMUNITY</u>	<u>70</u>
PETER COWDEN, NIAGARA UNIVERSITY-ONTARIO	70
<u>A PERSPECTIVE ON AN OFF-CAMPUS SCHOOL-BASED UNIVERSITY TEACHERS PREPARATION PROGRAM</u>	<u>71</u>
PETER COWDEN, NIAGARA UNIVERSITY-ONTARIO	71
<u>IF YOU WANT TO LEARN TO PLAY GOLF, DON'T GET ON THE GREEN! STRATEGIC BUSINESS LEADER DEVELOPMENT LESSONS AFFORDED AT THE DRIVING RANGE</u>	<u>72</u>
KELLI L. FELLOWS, PFEIFFER UNIVERSITY	72
BRADFORD R. FRAZIER, BELMONT ABBEY COLLEGE	72
<u>SPERRYMAN FAMILY SERVICES (B): DISCOVERING AND DEALING WITH MISAPPROPRIATION OF FUNDS</u>	<u>73</u>
PATRICIA A. LAPOINT, McMURRY UNIVERSITY	73
CARROL R. HAGGARD, FORT HAYS STATE UNIVERSITY	73
<u>SOCIAL ROBOTS, INC.</u>	<u>74</u>

©PRASAD PADMANABHAN, ST. MARY'S UNIVERSITY	74
<u>BEYOND SHARING KNOWLEDGE: INFLUENCES OF RELATEDNESS AND PROFESSOR PERSONALITY.....</u>	<u>75</u>
MICHAEL W. PASS, SAM HOUSTON STATE UNIVERSITY	75
<u>NO ONE TOLD ME ABOUT THE DARK SIDE: PITFALLS FOR FACULTY TEACHING ONLINE</u>	<u>76</u>
PATRICK R. ROGERS, NORTH CAROLINA A&T STATE UNIVERSITY	76
SHONA D. MORGAN, NORTH CAROLINA A&T STATE UNIVERSITY	76
KATHRYN CORT, NORTH CAROLINA A&T STATE UNIVERSITY	76
<u>FIFA WORLD CUP: AND THE WINNER IS.....</u>	<u>81</u>
RICARDO MANUEL SANTOS, TRINITY UNIVERSITY.....	81
<u>USING SIMPSON'S RULE TO EVALUATE THE NORMAL CUMULATIVE DISTRIBUTION FUNCTION IN AN ALGORITHMIC OPTION PRICING PROBLEM</u>	<u>82</u>
JEFF WHITWORTH, UNIVERSITY OF HOUSTON-CLEAR LAKE.....	82
<u>OPTIMIZING GROUP PURCHASE DECISION WITH VOLUME DISCOUNT.....</u>	<u>83</u>
LIN ZHAO, PURDUE UNIVERSITY NORTHWEST	83
<u>SOCIAL ENTREPRENEURSHIP: AN EMERGING ALTERNATIVE TO GOVERNMENTAL AND NON-PROFIT APPROACHES TO SOCIAL PROBLEMS.....</u>	<u>84</u>
STEPHEN C. BETTS, WILLIAM PATERSON UNIVERSITY.....	84
ROBERT LAUD, WILLIAM PATERSON UNIVERSITY	84
ANDREY KRETININ, WILLIAM PATERSON UNIVERSITY	84
<u>ASSESSMENT OF KNOWLEDGE AMONG COLLEGE STUDENTS OF THE EXISTENCE OF FAMILY-OWNED BUSINESSES: A REVISIT.....</u>	<u>85</u>
TAMMY JOHNSTON, UNIVERSITY OF LOUISIANA AT MONROE	85
<u>ENTREPRENEURIAL COGNITION IN SERIAL AND PARALLEL ENTREPRENURS: THE NECESSITY TO SEGREGATE SUCCESS AND FAILURE.....</u>	<u>86</u>

ROBERT D. MORRISON, UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	86
 <u>REDESIGNING ENTREPRENEURSHIP CURRICULUM IN NIGERIAN UNIVERSITIES FOR KNOWLEDGE CREATION AND LABOR MARKET COMPETITION</u>	
VICTORIA OGWA ADIKWU, UNIVERSITY OF ABUJA	87
BISSAN DANLADI JOSEPH EZEKIEL, DEPARTMENT OF BUSINESS ADMINISTRATION.....	87
CHINELO GRACE OBELEAGU-NZELIBE, UNIVERSITY OF ABUJA	87
 <u>SKILL GAPS, HUMAN CAPITAL FORMATION, AND STRATEGIC CHOICES: WHAT DO BUSINESSES DO WHEN FACING CRITICAL LABOR FORCE CHALLENGES?.....</u>	
MURAT ARIK, MIDDLE TENNESSEE STATE UNIVERSITY	88
PATRICK GEHO, MIDDLE TENNESSEE STATE UNIVERSITY	88
 <u>EFFECT OF INTELLECTUAL CAPITAL AND INNOVATION ON ORGANIZATIONAL PERFORMANCE (CASE STUDY OF KARAFARIN INSURANCE COMPANY IN TEHRAN)</u>	
MAHSHID NABI, ISLAMIC AZAD UNIVERSITY - IRAN	90
HOSSEIN MOGHIMI ESFANDABADI, ISLAMIC AZAD UNIVERSITY -IRAN	90
ABOLFAZL MOGHIMI ESFANDABADI, UNIVERSITY NOOR PAYAM YAZD –IRAN	90
 <u>CROSS CULTURAL DIFFERENCES IN AUSTRALIA, THE UNITED STATES OF AMERICA, AND THE UNITED KINGDOM</u>	
JENNIFER BURSON, UNIVERSITY OF TEXAS AT DALLAS	91
LEIGHA RITCHEY, UNIVERSITY OF TEXAS AT DALLAS	91
HIVI HURORI, UNIVERSITY OF TEXAS AT DALLAS	91
SARA FALLAH, UNIVERSITY OF TEXAS AT DALLAS.....	91
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS.....	91
 <u>JAPAN, IRELAND, THE UNITED STATES OF AMERICA, AND THE UNITED KINGDOM: CULTURAL VARIATIONS.....</u>	
JUAN RODRIGUEZ, UNIVERSITY OF TEXAS AT DALLAS	96
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS.....	96
MALCOM WILKINSON, UNIVERSITY OF TEXAS AT DALLAS.....	96
KAYLA KENNEDY, UNIVERSITY OF TEXAS AT DALLAS.....	96
 <u>ASIA, EUROPE AND NORTH AMERICA: STRATEGIC CUSTOMER SERVICE AND CULTURAL DIFFERENCES</u>	
	102

SRI RANGA VINAY ANNA, UNIVERSITY OF TEXAS AT DALLAS	102
MAJEED KAWAR, UNIVERSITY OF TEXAS AT DALLAS.....	102
BILAL SALEEM, UNIVERSITY OF TEXAS AT DALLAS	102
ADRIAN MENDOZA, UNIVERSITY OF TEXAS AT DALLAS	102
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	102
 <u>BRAZIL, FINLAND, GERMANY, GREECE, SOUTH AFRICA, AND SWEDEN: CULTURAL DIFFERENCES IN CUSTOMER SERVICE.....</u>	 <u>108</u>
 OLIVER AVILES, UNIVERSITY OF TEXAS AT DALLAS	108
NITHIN GEORGE, UNIVERSITY OF TEXAS AT DALLAS	108
DOUGLAS JOHNSON, UNIVERSITY OF TEXAS AT DALLAS	108
TIMOTHY TRAN, UNIVERSITY OF TEXAS AT DALLAS	108
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	108
 <u>PAKISTAN, PERU, SWITZERLAND, AND THE USA: CULTURAL DIFFERENCES</u>	 <u>114</u>
 SAAD SARFARAZ, UNIVERSITY OF TEXAS AT DALLAS	114
ILIAN LUMBRE, UNIVERSITY OF TEXAS AT DALLAS.....	114
YESSANIA VITERI, UNIVERSITY OF TEXAS AT DALLAS	114
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	114
 <u>GERMANY, MEXICO, AND THE USA: CUSTOMER SERVICE & CULTURAL DIFFERENCES</u>	 <u>120</u>
 MICHAEL GREEN, UNIVERSITY OF TEXAS AT DALLAS.....	120
TORI KAISER, UNIVERSITY OF TEXAS AT DALLAS	120
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	120
 <u>FRANCE, JAPAN, MEXICO, & THE USA: CULTURAL DIFFERENCES & STRATEGIC PLANNING</u>	 <u>126</u>
 VICTORIA BRAUD, UNIVERSITY OF TEXAS AT DALLAS.....	126
TYSON FREDERICK, UNIVERSITY OF TEXAS AT DALLAS	126
NOLAN HARVEY, UNIVERSITY OF TEXAS AT DALLAS	126
CHIANG LEONG, UNIVERSITY OF TEXAS AT DALLAS	126
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	126
 <u>CHINA AND THE USA: CULTURAL DIFFERENCES AND BUSINESS STRATEGY.....</u>	 <u>131</u>
 ISABELLA KUO, UNIVERSITY OF TEXAS AT DALLAS	131
XIONGPEI LIU, UNIVERSITY OF TEXAS AT DALLAS.....	131
JACOB WALKER, UNIVERSITY OF TEXAS AT DALLAS	131

CHENYAN WU, UNIVERSITY OF TEXAS AT DALLAS.....	131
AKANKSHA DHOTE, UNIVERSITY OF TEXAS AT DALLAS	131
ROBERT OPDYKE, UNIVERSITY OF TEXAS AT DALLAS	131
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	131
 <u>ETHICS: CANADA AND THE UNITED STATES OF AMERICA</u>	 <u>136</u>
 MARGARITA MONTELLANOS, UNIVERSITY OF TEXAS AT DALLAS	 136
YOUSUF JIWANI, UNIVERSITY OF TEXAS AT DALLAS.....	136
JARED WETTENSTEIN, UNIVERSITY OF TEXAS AT DALLAS	136
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	136
 <u>CHINA AND THE USA: ENTREPRENEURIAL ETHICAL DIFFERENCES</u>	 <u>142</u>
 AMR ABDELMOTELB, UNIVERSITY OF TEXAS AT DALLAS	 142
SAM HAWKINS, UNIVERSITY OF TEXAS AT DALLAS.....	142
MARY FEATHER, UNIVERSITY OF TEXAS AT DALLAS.....	142
HEATHER HAMBELTON, UNIVERSITY OF TEXAS AT DALLAS.....	142
MICHAEL GLEW, UNIVERSITY OF TEXAS AT DALLAS.....	142
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	142
 <u>IMPACT OF ENTERPRISE RESOURCE PLANNING SYSTEMS ON ACCOUNTING INFORMATION SYSTEMS</u>	 <u>148</u>
 J RAJENDRAN PANDIAN, VIRGINIA STATE UNIVERSITY, VA 23806.....	 148
HARI SHARMA, VIRGINIA STATE UNIVERSITY, VA 23806	148
 <u>ANALYSIS OF IMPLEMENTATION EXPERIENCES OF IFRS IN NIGERIA.....</u>	 <u>149</u>
 ARINOLA ADEBAYO, VIRGINIA STATE UNIVERSITY	 149
HARI SHARMA, VIRGINIA STATE UNIVERSITY.....	149
 <u>CUSTOMER SERVICE IN ETHIOPIA, LEBANON PAKISTAN AND THE USA</u>	 <u>155</u>
 ASWIN SREERAM, UNIVERSITY OF TEXAS AT DALLAS	 155
MICHAEL RAMMAL, UNIVERSITY OF TEXAS AT DALLAS	155
MISRA ABDELA, UNIVERSITY OF TEXAS AT DALLAS	155
SAAD SARFARAZ, UNIVERSITY OF TEXAS AT DALLAS	155
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	155
 <u>INDIA AND THE USA: CULTURAL DIFFERENCES & ETHICS</u>	 <u>161</u>

AAMIR SITABKHAN, UNIVERSITY OF TEXAS AT DALLAS	161
BENSON THOMAS, UNIVERSITY OF TEXAS AT DALLAS	161
EDWIN MILLER, UNIVERSITY OF TEXAS AT DALLAS.....	161
NIKITA PATEL, UNIVERSITY OF TEXAS AT DALLAS.....	161
SIMRANJIT WALIA, UNIVERSITY OF TEXAS AT DALLAS.....	161
KIRAN KUMAR SHANKAR, UNIVERSITY OF TEXAS AT DALLAS.....	161
ADITI PAROLKAR, UNIVERSITY OF TEXAS AT DALLAS	161
VIKRAM ADITYA CHAKRAVARTHULA, UNIVERSITY OF TEXAS AT DALLAS	161
NISHA DOMALAPALLI, UNIVERSITY OF TEXAS AT DALLAS	161
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	161

LATIN AMERICA AND THE USA: CULTURAL DIFFERENCES..... 167

JOSE IBARRA, UNIVERSITY OF TEXAS AT DALLAS.....	167
NAGA NAVYA KONDETI, UNIVERSITY OF TEXAS AT DALLAS.....	167
JOAN LEMUS, UNIVERSITY OF TEXAS AT DALLAS.....	167
KAREN TORRES, UNIVERSITY OF TEXAS AT DALLAS.....	167
SAINATH RAJ, UNIVERSITY OF TEXAS AT DALLAS	167
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	167

CULTURAL DIFFERENCES IN FRANCE, GERMANY, GREECE, INDIA, THE USA AND VIETNAM 173

ANGELA TRINH, UNIVERSITY OF TEXAS AT DALLAS.....	173
NGUYEN NGUYEN, UNIVERSITY OF TEXAS AT DALLAS	173
JOHN BERGER, UNIVERSITY OF TEXAS AT DALLAS	173
UMAR DESAI, UNIVERSITY OF TEXAS AT DALLAS	173
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	173

AUSTRALIA, BRAZIL, CHINA, DENMARK, GREECE, NORTH KOREA, THAILAND IRELAND, AND SOUTH KOREA: CULTURAL DIFFERENCES AND CUSTOMER SERVICE..... 179

HANNAH TURNER, UNIVERSITY OF TEXAS AT DALLAS	179
ZACHARY TIMMS, UNIVERSITY OF TEXAS AT DALLAS	179
SAM HALLIBURTON, UNIVERSITY OF TEXAS AT DALLAS	179
BRANDON GARDERE, UNIVERSITY OF TEXAS AT DALLAS.....	179
WANSOO LEE, UNIVERSITY OF TEXAS AT DALLAS.....	179
ADAM JAMES, UNIVERSITY OF TEXAS AT DALLAS.....	179
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	179
JUSTIN HALL, UNIVERSITY OF TEXAS AT DALLAS	179
TRISTAN POPE, UNIVERSITY OF TEXAS AT DALLAS.....	179
GUN KANG, UNIVERSITY OF TEXAS AT DALLAS.....	179
JOSE ALONSO, UNIVERSITY OF TEXAS AT DALLAS.....	179

JASON BARNES, UNIVERSITY OF TEXAS AT DALLAS.....	179
AZYEB KIDANE, UNIVERSITY OF TEXAS AT DALLAS	179

CHINA, COSTA RICA, JAPAN, LEBANON, PAKISTAN, SAUDI ARABIA, THE UAE, AND THE USA: CUTOIMER SERVICE AND CULUTRAL DIFFERENCES..... 185

EBONI TURNER, UNIVERSITY OF TEXAS AT DALLAS.....	185
GREGORY NORMAN-CONCHAS, UNIVERSITY OF TEXAS AT DALLAS	185
DAVID O'DELL, UNIVERSITY OF TEXAS AT DALLAS	185
ANDREW WEIS, UNIVERSITY OF TEXAS AT DALLAS.....	185
RANJ AGHA, UNIVERSITY OF TEXAS AT DALLAS	185
KEVIN BARAHONA, UNIVERSITY OF TEXAS AT DALLAS	185
ROBERT BARRY, UNIVERSITY OF TEXAS AT DALLAS	185
TATIANA CHAU, UNIVERSITY OF TEXAS AT DALLAS	185
RAMAH JARADAT, UNIVERSITY OF TEXAS AT DALLAS.....	185
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	185
CELIA NIU, UNIVERSITY OF TEXAS AT DALLAS	185
MUHAMMAD UMER MODI, UNIVERSITY OF TEXAS AT DALLAS.....	185

ETHICS AND CULTURAL DIFFERENCES BETWEEN SOUTH KOREA, SPAIN AND THE USA 191

LILLY NGUYEN, UNIVERSITY OF TEXAS AT DALLAS.....	191
VAN LE, UNIVERSITY OF TEXAS AT DALLAS.....	191
DAYANIRA TORRES PALACIOS, UNIVERSITY OF TEXAS AT DALLAS.....	191
DORCAS KIMANI, UNIVERSITY OF TEXAS AT DALLAS.....	191
SANDY PACHICANO, UNIVERSITY OF TEXAS AT DALLAS	191
ABEL ALEX, UNIVERSITY OF TEXAS AT DALLAS	191
TAEHEE KIM, UNIVERSITY OF TEXAS AT DALLAS	191
TAEJUN SEO, UNIVERSITY OF TEXAS AT DALLAS	191
SHAMIS SALEH, UNIVERSITY OF TEXAS AT DALLAS	191
NELSON MAVARES, UNIVERSITY OF TEXAS AT DALLAS.....	191
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	191

CHILE, GERMANY, IRAN AND SAUDI ARABIA: CULTURAL DIFFERENCES IN CUSTOMER SERVICE 197

NOUSHEEN KARIMI, THE UNIVERSITY OF TEXAS AT DALLAS	197
VISWANATHAN SUNDARESAN, THE UNIVERSITY OF TEXAS AT DALLAS.....	197
KEVIN BARAHONA, THE UNIVERSITY OF TEXAS AT DALLAS	197
JOSELYN QUIROS, THE UNIVERSITY OF TEXAS AT DALLAS	197
SHRUTI AMIN, THE UNIVERSITY OF TEXAS AT DALLAS	197
SAMUEL LANE, THE UNIVERSITY OF TEXAS AT DALLAS	197

<u>CHINA, MEXICO, SPAIN, URUGUAY, VENEZUELA RUSSIA, AND THE USA</u>	<u>202</u>
BRANDON YOUNG, UNIVERSITY OF TEXAS AT DALLAS	202
JACOB ANDERSON, UNIVERSITY OF TEXAS AT DALLAS.....	202
JOSHUA ADEESO, UNIVERSITY OF TEXAS AT DALLAS.....	202
JOSE BRISENO, UNIVERSITY OF TEXAS AT DALLAS	202
SÉGOLÈNE ROUSSET, UNIVERSITY OF TEXAS AT DALLAS	202
SAMUEL LANE, UNIVERSITY OF TEXAS AT DALLAS	202
GABRIELLE FERNANDEZ, UNIVERSITY OF TEXAS AT DALLAS	202
MILLIE ATKINS, UNIVERSITY OF TEXAS AT DALLAS	202
RACHEL DeVEY, UNIVERSITY OF TEXAS AT DALLAS.....	202
CHIARA ZAMBONI, UNIVERSITY OF TEXAS AT DALLAS	202
KHALID AL-NAJJAR, UNIVERSITY OF TEXAS AT DALLAS	202
FARRAH YOUNES, UNIVERSITY OF TEXAS AT DALLAS	202
ANA MOLINA, UNIVERSITY OF TEXAS AT DALLAS	202
CINDY FABELA, UNIVERSITY OF TEXAS AT DALLAS.....	202
<u>THE PRACTICE OF LEADER-MEMBER EXCHANGE: AN ORGANIZATIONAL DIAGNOSIS</u>	<u>208</u>
JOHN FINLEY, COLUMBUS STATE UNIVERSITY	208
RICK MATTSON, UNIVERSITY OF TENNESSEE-CHATTANOOGA.....	208
<u>AN INTEGRATED MODEL OF RELATIONSHIP REPAIR: REINTRODUCING THE ROLES OF FORGIVENESS AND TRUST</u>	<u>209</u>
KIMBERLY A. MCCARTHY, CALIFORNIA STATE UNIVERSITY, SAN MARCOS	209
<u>IMPACT OF ADVERTISING, PERSONAL SELLING AND SALES PROMOTION STRATEGIES ON THE PERFORMANCE OF NIGERIAN BREWERIES PLC., KADUNA NIGERIA.....</u>	<u>210</u>
CHINELO GRACE O. NZELIBE, UNIVERSITY OF ABUJA INTERNATIONAL BUSINESS SCHOOL	210
BISSAN DANLADI JOSEPH EZEKIEL, UNIVERSITY OF ABUJA	210
VICTORIA OGWA ADIKWU, UNIVERSITY OF ABUJA	210
<u>A SHORT BUT USEFUL DEFINITION OF MARKETING – “EXCHANGING VALUE TO SATISFY STAKEHOLDER NEEDS PROFITABLY AND ETHICALLY”</u>	<u>211</u>
HYUNG-JIN “MICHAEL” PARK, UNIVERSITY OF TENNESSEE AT MARTIN	211
STEPHEN SHIN, BELMONT UNIVERSITY.....	211
<u>THE AGE DISCRIMINATION IN EMPLOYMENT ACT (ADEA) AND RECRUITING</u>	<u>214</u>

GERALD E. CALVASINA, SOUTHERN UTAH UNIVERSITY	214
RICHARD V. CALVASINA, UNIVERSITY OF WEST FLORIDA	214
 <u>A LOOK AT POSITIVE ORGANIZATIONAL BEHAVIOR: HOW POSITIVE PSYCHOLOGY IS AND SHOULD BE INFLUENCING ORGANIZATIONAL BEHAVIOR</u>	 <u>219</u>
 STEPHEN C. BETTS, WILLIAM PATERSON UNIVERSITY	 219

THE EXISTENCE OF NONARTICULATION IN THE FINANCIAL STATEMENTS OF SAUDI COMPANIES

Feras Alghamdi, Taibah University

Terry J. Ward, Middle Tennessee State University

ABSTRACT

Bahnson et al. (1996), Krishnan and Largay (2000), and Ward et al. (2006, 2009) identified a problem with financial reporting statements in the United States (US). This nonarticulation problem occurs when the actual reported net operating cash flow on the cash flow statement differs from the estimated operating cash flow obtained by applying the indirect method to the balance sheet and the income statement. Miller (2002) also confirmed that nonarticulation existed among Hong Kong companies. This study tests whether nonarticulation exists in the financial statements of Saudi companies, and if it exists, can one reconcile the differences using footnote information. The results of this study also indicate that nonarticulation exists for the Saudi companies. However, when using the footnotes to supplement the published numbers, most of the nonarticulation can be explained and a significant amount of the nonarticulation eliminated. The ability to explain most of the nonarticulation using the footnotes is not consistent with prior research. This finding suggests that the Saudi companies' footnotes may either contain information more easily identifying missing items affecting operations or that the footnotes are more thorough than those of US companies.

SENSITIVITY ANALYSIS OF STANDARD COSTING SYSTEMS

Chiaho Chang, Montclair State University

ABSTRACT

Standard costing systems are well accepted in manufacturing businesses. In industries with high overhead content (relative to direct labor and direct materials), however, the allocation bases used in their applications are rather sensitive to factors such as product mix, projected sales, inventory level, or even capacity usage. The resulting “standard” costs might deviate from the actual costs to the extent that the profit margin is no longer certain. In the short run, profit and competitiveness will suffer; in the long run, the product lines (and even the entire business) may no longer survive.

This research intends to look at the impacts of capacity choice, product mix, and defect rate on the product costs and suggest ways to improve the existing standard costing systems. An analytical model was developed, followed by Monte Carlo simulation, so that real-world scenarios can be plugged in and potential impacts studied. The interrelationships among the variables used in standard costing systems and their sensitivity to changes were reported and summarized.

A COMPARATIVE STUDY ON COMPLIANCE WITH FULL IFRS AND IFRS FOR SMES AND THE IMPACT OF DISCLOSURE INDEX ON FIRMS' PROFITABILITY AMONG REAL ESTATE ENTITIES

Rodiel C. Ferrer, De La Salle University

ABSTRACT

Due to globalization, markets are becoming more interconnected as the companies are engaged in doing cross-border offerings. Currently, competitions are intensified because domestic companies find themselves competing with both local counterparts and international companies. But one thing that hinders SMEs is the need for reliable and comparable financial information. According to Abarca (2014), adoption of a high-quality and consistent set of accounting standards is vital in order for the companies to remain competitive in ASEAN member states. This paper aims to answer the question, what was the extent of the effect of compliance with full IFRS and IFRS for SMEs on profitability of companies belong to real estate industry? This paper also sought to determine whether there is a significant difference between the firms' compliance with the full PFRS and the PFRS for SMEs and to determine whether there is a significant difference between the firms' financial performance before and after the adoption of the PFRS for SMEs. Paired T-test was employed in order to determine whether there is a significant difference between the firms' compliance with the full PFRS and the PFRS for SMEs and to determine whether there is a significant difference between the firms' financial performance before and after the adoption of the PFRS for SMEs.

Using STATA, the best appropriate model for each financial ratio in relation to degree of compliance was selected. First, test parm command was used to identify which among the Least Squares Dummy Variable Regression Modes (LSDV1, LSDV2, LSDV3) under the Fixed Effects Model is the appropriate model. Afterwards, Hausman Fixed Random Test was used to identify which is more appropriate between Fixed Effects Model and Random Effects Model. If Fixed Effects Model was the more appropriate one, the Wald's test was used to determine the best model between Fixed Effects Model and Ordinary Least Squares Model. On the other hand, if Random Effects Model was the more appropriate one, the Breusch and Pagan Lagrangian Multiplier Test for Random Effect was used to determine the best model between Random Effects Model and Ordinary Least Squares. Moreover, if Ordinary Least Squares was the best model, it will be further tested to check for heteroscedasticity and multicollinearity. White's test was used to check for heteroscedasticity and Variance Inflation Factor was used to check if multicollinearity is present.

The results show that the adoption of PFRS for SMEs improved the compliance of Philippine real estate SMEs. However, no significant change was noted in the financial performance of these firms (as measured by return on assets and return on equity). This was further supported by the results of the panel regression. This means that despite having a relatively easier time in complying with the required accounting standards, this did not translate to having

lower significantly costs related to compliance. It was also noted that firm characteristics, namely, firm age and firm size, are generally not correlated with the firm's profitability.

Keywords: *Full IFR, IFRS For SMEs, Disclosure Index and Profitability.*

FINANCIAL MANAGEMENT PRACTICES OF SMALL AND MEDIUM ENTERPRISES IN NUEVA ECIJA

Gaudencio P. Gallardo Jr., Central Luzon State University
Rodiel C. Ferrer, De La Salle University

ABSTRACT

Small and Medium Enterprises (SMEs) play an important role in our economy as this sector contributes to the creation of wealth, employment and income generation. However, SMEs may be vulnerable to various challenges brought by competitive business environment. Among these, lack of an efficient and effective financial management system is a core problem area.

In line with this, this study determined if there were significant relationships between the organizational profile of SMEs and their financial management practices. Financial management was divided into three aspects: working capital management, capital budgeting, and financial reporting and analysis. Working capital management was further subdivided to cash management, account receivable management, and inventory management. Further, it was determined if there were any significant differences in financial management practices among SMEs in terms of location and asset size.

The respondents for this study were the SMEs located in the province of Nueva Ecija which were selected through stratified random sampling. Results show that cash management practices have a significant positive relationship with number of employees, level of education, and financial literacy of owner/manager. Both account receivable management and inventory management were found to have significant positive relationship with number of employees and level of education of owner/manager. Further, it was revealed that there were significant differences in financial management in terms of location and asset size.

The findings provide an insight regarding the financial management practices among SMEs and these can be used by various organizations in providing technical assistance to continuously help the SMEs in improving their operations and overall performance.

INTRODUCTION

Small and Medium Enterprises provide the economy with a continuous supply of ideas, skills and innovativeness necessary to promote competition and the efficient allocation of scarce resources. They contribute to the creation of wealth, employment and income generation, both in rural and urban areas, thus ensuring a more equitable income distribution.

Starting up a small business enterprise is easier due to smaller capital requirement. However, it may be vulnerable to various challenges brought by competitive business environment. These challenges include insufficient managerial skills, lack of trained personnel, poor access to financial resources, and low utilization of new technologies. Among these, lack of an efficient and effective financial management system is a core problem area (Feten, 2010).

This study was conducted to determine the financial management practices of SMEs in the province of Nueva Ecija. SMEs were classified in this study based on the total assets as defined by the Department of Trade and Industry. Self-administered questionnaire was used to ascertain the financial management practices of SMEs as well as their organizational profile. The relationship of financial management practices and organizational characteristics was also determined using correlation. Further, it was determined if there was a significant difference in financial management practices of SMEs in Nueva Ecija based on asset size and location. The resource-based view theory was used as a guiding principle in this study.

LITERATURE REVIEW

Financial management entails minimising the costs, maximising the profit, and planning and controlling the financial assets of the firm (Bloom & Boessenkool, 2002). However, Schwarze (2008) found that most SME owners do not possess the critical financial management skills required to ensure survival and growth of their enterprises. Jindrichovska (2013) reviewed recent studies on small and medium sized companies and it was identified that the poor financial management of owner-managers is the main cause underlying the problems of SMEs.

Mazzarol et al. (2015) concluded that SMEs had largely informal and ad hoc financial management practices. Differences by size and financial literacy levels were found. In addition, as the firm grew in size and complexity the owner-manager was required to adopt more sophisticated and systematic approaches to financial management. SMEs with higher financial literacy had greater capacity to monitor and control the financial performance of their businesses.

Eresia-Eke and Raath (2013) investigated the possible relationship between SMME owners' financial literacy and business growth. The study was unable to demonstrate that a statistically significant relationship existed between owners' financial literacy and the broad construct of business growth. Stefanitsis and Fafaliou (2013) examined the role financial knowledge of small- and medium-sized enterprises (SMEs) might play in their financial behaviour. Findings indicated that despite Greek SMEs' satisfactory financial knowledge in specific areas, the majority of the respondents failed to capture gains in overall performances.

In a study conducted by Agyei-Mensah (2011), it was determined that owners/managers' experience was much more considered important than theories in both cash and inventory management practices. Thus there is no relationship between the educational background of owner/managers and the use of working capital management practices. Afrifa (2013) reported that managers with the highest qualification and many years of work experience have the ability to confidently manage all aspects of WCM, and therefore have the best WCM practices. Specifically, the results indicated that managers possessing professional qualification are more competent and therefore able to manage all WCM components.

Rathnasiri (2015) investigated the availability of differences in the adoption of financial management tools and techniques among Sri Lankan SMEs and it was revealed that legal form, size of the business based on number of employees, educational background of owner/manager, leverage of the business were the variables which showed statistically significant differences in adoption of financial management tools and techniques.

A local study was conducted by Parilla (2013) which ascertained the level of management practices of micro and small enterprises in Ilocos Norte which included financial management practices. The findings revealed that the extent of financial management practices depends on the size of the firms. It was concluded that financial management practices were given high importance by owner/manager of small enterprises. On the other hand, financial management was moderately practiced by owner/manager of micro enterprises.

METHODS

The study made use of descriptive and correlational research. A self-administered questionnaire was used to gather the data. The questionnaire was divided into two sections. The first section was about the organizational profile of the respondents. The second section described the SMEs' financial management practices. This section was subdivided into 3 parts which dealt with the company's working capital management, capital budgeting, and financial report and analysis. A five point scale, 5-1 with answer options of "always" as 5, "frequently" as 4, "sometimes" as 3, "rarely" as 2 and "never" as 1, was used in assessing respondents' financial management practices. Pilot testing was conducted on 31 SMEs belonging to different industries which were not included in the final data collection.

Based on the list provided by the DTI, the samples were selected through stratified random sampling. Since the province is divided into four districts, SMEs were divided into four groups based on the district where they belong. The SMEs were represented by owner/managers or the employee in task in their absence. The procedures in tabulating and analyzing the data were facilitated by the use of Statistical Package for Social Sciences (SPSS) and Microsoft Excel. Descriptive and inferential statistics including correlation, ANOVA, and t-test were used to meet the objectives of the study.

RESULTS

Relationship of Organizational Profile and Financial Management Practices

Table 1 shows the relationship of organizational profile of SMEs with their financial management practices. Cash management practices were found to have a significant positive relationship with number of employees, level of education and level of financial literacy. The results did not support the findings of Agyei-Mensah (2011) that there is no relationship between educational background and the use of cash management practices.

Table 1 Summary of Results Using Correlation					
Organizational Profile	Cash Mngt.	AR Mngt.	Inventory Mngt.	Capital Budgeting	Fin. Rep. & Analysis
Years of Operation	0.11	0.08	0.04	0.08	0.10
No. of Employees	0.28*	0.26*	0.39*	0.18	0.12
Level of Education	0.20*	0.28*	0.23*	0.19	0.03
Level of Fin. Literacy	0.24*	0.06	0.14	0.15	0.12
*Significant $p < .05$					

Meanwhile, both account receivable management and inventory management were found to have significant positive relationship with number of employees and level of education. This means that as the number of employees and level of education increase, the level of account receivable management and inventory management also increase.

It can be noted also that all the organizational characteristics were found to have positive relationships with capital budgeting practices and financial reporting and analysis but the relationships were not significant. This implies that SMEs did not utilize their resources such as human resource in increasing the level of their capital budgeting and financial reporting and analysis practices.

Differences in Financial Management Practices of SMEs in Nueva Ecija based on Location

Table 2 Summary of Test Results Using ANOVA								
Fin. Mngt. Practices	District 1		District 2		District 3		District 4	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Cash Management	3.61b	0.70	3.87	0.63	4.10a	0.79	3.91	0.73
AR Management	3.60	1.16	3.99	0.80	4.24	0.97	3.79	1.10
Inventory Management	3.48b	1.12	4.00a	0.73	3.98a	0.92	3.68	0.98
Capital Budgeting	2.91	1.32	2.98	1.05	3.61	1.09	3.26	1.14
Fin. Rep. and Analysis	4.05	0.82	4.16	0.69	4.36	0.57	4.03	0.64
Overall	3.57b	0.82	3.87	0.58	4.04a	0.73	3.77	0.67
Note: Means with differing letter subscripts within rows are significantly different at the $p < 0.05$ based on Fisher's LSD.								

In terms of location, SMEs in district 3 had significant difference in cash management compared to SMEs in district 1. There were also significant differences found in inventory management practices among SMEs. The level of inventory management among SMEs in district 3 differed significantly with those of SMEs in district 1. Similar with cash management, SMEs in district 3 exhibited higher level of inventory management. Further, it was found out that the level of inventory management practice of SMEs in district 2 is significantly higher than that of SMEs in district 1.

When taken together, the overall results showed that the level of financial management practices of SMEs in district 3 was significantly higher than SMEs in district 1. The results of the study did not support the findings of the study conducted by Rathnasiri (2015) which revealed that

location of the business did not determine significant differences in adoption of financial management tools and techniques.

Differences in Financial Management Practices based on Asset Size

Table 3 Summary of Test Results Using T-test					
Financial Management Practices	Small		Medium		t-value
	Mean	SD	Mean	SD	
Cash Management	3.74	0.77	4.17	0.61	3.80***
Account Receivable Management	3.70	1.05	4.37	0.83	3.74***
Inventory Management	3.68	0.96	4.05	0.89	2.49*
Capital Budgeting	3.03	1.12	3.59	1.13	2.53*
Financial Reporting and Analysis	4.05	0.70	4.40	0.58	3.46***
Overall	3.68	0.71	4.12	0.65	4.09***
*** Significant < .001					
** Significant < .01					
* Significant < .05					

As the table shows, significant differences in all aspects of financial management practices were found in terms of asset size. This implies that the level of financial management practices of medium enterprises significantly differed from those of small enterprises in Nueva Ecija. The significant differences are consistent with the findings of prior studies conducted by Varanya and Tippawan (2007) and Rathnasiri (2015) which revealed that financial management practices significantly differed based on the asset size of SMEs.

DISCUSSION

The results suggest that level of education is positively related with the level of cash management, account receivable management as well as inventory management. Principles of these financial management aspects are easier to understand by those who acquire education regardless of specialization. Other aspects such as capital budgeting involve more sophisticated techniques which require not only education but also experience. Similarly, number of employees is also positively related with cash, account receivable, and inventory management. Employees are considered as human resource as they contribute their skills and talents to the organization. Thus, a higher number of employees means more diversified skills and talents. The RBV theory suggests that to provide competitive advantage, a firm's resources must be valuable, rare, imperfectly mobile, and non-substitutable. Further, competitive advantage comes from a firm's resources and capabilities which include management skills.

SMEs in district 3 had significant difference in cash and inventory management compared to SMEs in district 1. It is good to note that Cabanatuan city is located in district 3. Most of the SMEs in Cabanatuan city are medium-sized and have been in the business for more than 10 years. They have been actively involved in the programs being provided by the DTI which includes financial management. In fact, most of the beneficiaries of SMED are located in Cabanatuan city.

This can be one of the factors why the owners/managers of SMEs in this district are more knowledgeable in cash and inventory management.

Further, it was found out that the level of inventory management practice of SMEs in district 2 is significantly higher than that of SMEs in district 1. It can be noted that Science City of Munoz and San Jose City are both located in district 2. Business enterprises in these cities have flourished in the last 2 decades while SMEs in district 1 are mostly in their early stage. Most of the municipalities in district 1 have lower level of income classification. This implies that cities and municipalities in district 2 are better than those in district 1 in terms of economic development. Since district 2 is more economically developed, it can be inferred that more successful SMEs operate in this area and this can be attributed to better inventory management practices.

When taken together, the overall results showed that the level of financial management practices of SMEs in district 3 was significantly higher than SMEs in district 1. The results of the study do not support the findings of Rathnasiri (2015) which revealed that location of the business did not determine significant differences in adoption of financial management tools and techniques.

Significant differences in all aspects of financial management practices were found in terms of asset size. This implies that the level of financial management practices of medium enterprises significantly differed from those of small enterprises in Nueva Ecija. Management skill particularly in financial aspect within small enterprises is a scarce resource. Medium enterprises have more resources that allow them to hire qualified personnel to handle financial management function. This was also validated by this study as most of the owners of small enterprises are also the managers.

CONCLUSION

Based on the results of the study, it can be concluded that cash management has a significant positive relationship with number of employees, level of education, and financial literacy of owner/manager. Both account receivable management and inventory management have significant positive relationship with number of employees and level of education of owner/manager. It was revealed that capital budgeting does not have any significant relationships with organizational profile. Similarly, none of the organizational characteristics was found to have a significant relationship with financial reporting and analysis.

In terms of location, a significant difference was recorded in cash management among SMEs in Nueva Ecija. It was found out that cash management practices among SMEs in district 3 were significantly higher than those of SMEs in district 1. There was also a significant difference in inventory management among SMEs in Nueva Ecija. The level of inventory management practices of SMEs in districts 2 and 3 significantly differed from inventory management of SMEs in district 1. When all aspects of financial management were taken together, it was found out that there was a significant difference between SMEs in district 1 and SMEs in 3.

The difference in financial management practices among SMEs was also tested in terms of asset size. The results showed that there were significant differences in all aspects of financial management between small enterprises and medium enterprises.

REFERENCES

- Agyei-Mensah, B. (2011). Working Capital Management Practices of Small Firms in the Ashanti Region of Ghana. *International Journal of Academic Research in Business and Social Sciences*, 2(1), 567-583.
- Attom, B. (2013). Cash Management Practices by Micro and Small-scale Enterprises at Kasoa in the Central Region of Ghana. *Asian Journal of Business and Management Sciences*, 3(2), 01-12. Retrieved from: <http://www.ajbms.org/articlepdf/1ajbms201303022754.pdf>
- Eresia-Eke, C. & Raath, C. (2013). SMME Owners' Financial Literacy and Business Growth. *Mediterranean Journal of Social Sciences*, 4(13), 397-406
- Jindrichovska, I. (2013). Financial Management in SMEs. *European Research Studies Journal*, 16(4), 79-96.
- Mazzarol et al., (2015). The financial management practices of small to medium enterprises. 28th Annual SEAANZ Conference Proceedings. Small Enterprise Association of Australia and New Zealand, 1-22.
- Parilla, E. (2013). Level of Management Practices of Micro and Small Businesses in Ilocos Norte. *International Journal of Academic Research in Business and Social Science*, 3(7), 439-466.
- Rathnasiri, U. (2015). The Financial Management Practices of Small and Medium Enterprises in Sri Lanka. *Global Journal of Contemporary Research in Accounting, Auditing and Business Ethics*, 1(2), 374-399.
- Schwarze, C. L. (2008). Involving the accounting profession in the development of financial management skills of micro-enterprise owners in South Africa. *Meditari Accountancy Research*, 16(2), 139-151.
- Stefanitsis, M. & Fafaliou, I. (2013). Does Financial Knowledge in Small- and Medium-sized Enterprises Matter? An Empirical Survey for Greece. *International Journal of Economics and Business Research*, 5(1), 96-113.

THE EFFECTS OF CORPORATE TAX AVOIDANCE ON FINANCIAL PERFORMANCE AND FIRM VALUE OF PUBLICLY-LISTED INDUSTRIAL FIRMS IN THE PHILIPPINES

Joan Mae M. Lugtu, De La Salle University

Rodiel C. Ferrer, De La Salle University

ABSTRACT

The purpose of this study is to determine the effects of corporate tax avoidance on financial performance and firm value of publicly-listed industrial companies in the Philippines. The proxy variable for corporate tax avoidance was derived from the difference between effective tax rate and statutory tax rate, which was termed as differential tax rate in this study. Whereas, financial performance was measured in terms of return on equity and return on assets while firm value was measured using Tobin's Q. Also, some variables were controlled in this study including selected firm characteristics (firm size, age and leverage) and board characteristics (board size, board independence and CEO duality).

To answer the research question, data from 29 firms from 2012 to 2016 were empirically tested using panel data analysis. Based on the results, corporate tax avoidance has significant and positive effect on return on equity and return on assets. However, it has positive but insignificant effect on Tobin's Q.

INTRODUCTION

Businesses are born to earn profits. Owners want their firm's value to grow and the firm's performance to improve. However, in several cases, the tasks needed to attain those goals are delegated to the management. With the separation between control and ownership in the corporate setting, the agency problem may arise. For instance, corporate tax avoidance, a significant corporate strategy (Hanlon and Heitzman, 2010 as cited by Chen, Wang & Tang, 2014), may be abused by managers especially those who are tasked to minimize the tax consequences of the company's transactions for their own benefits.

Given the importance of tax avoidance strategies, this study aims to test the effects of corporate tax avoidance on firm's value and performance. It aims to answer the question: "What are the effects of corporate tax avoidance on the financial performance and firm value of publicly-listed industrial firms in the Philippines from 2012-2016?".

THEORETICAL FRAMEWORK

The agency theory focuses the existence of agency problem when there are conflicting goals between the principal and the agent which occurs primarily due to the separation of ownership and control (Eisenhardt, 1989; Jensen & Meckling, 1976). Hence, agency problem may exist when managers who are tasked to avoid taxes will use tax avoidance strategies for their own benefits (Yorke et al., 2016). On the other hand, signalling theory addresses information asymmetry problem which exists when the managers have information that are not available and made known to the shareholders (Scott, 2003 as cited by Yorke et al., 2016). Similarly, the firm's tax strategies are not public information (Lee, Dobiyanski & Minton, 2015). However, once the information that the management are engaged in very aggressive tax avoidance activities became known to the shareholders or was signaled by having significantly low income tax expense, firm value may decline due to loss of confidence and trust to the management. Lastly, stewardship theory argues that there are instances when managers are motivated by their role as stewards rather than their personal goals (Davis, Schoorman & Davidson, 1997). These illustrate the alignment between the managers' motives and principal's objectives such as when managers use tax avoidance strategies to promote shareholders' welfare.

SCOPE AND LIMITATIONS OF THE STUDY

The practice of tax avoidance may be employed by different taxpayers however, this study only covers selected corporations particularly the industrial companies listed in the Philippine Stock Exchange during 2012 to 2016. Also, study refers to tax avoidance as tax strategies, whether legal and illegal means, use to reduce taxes. Furthermore, only one proxy for corporate tax avoidance, which was derived from effective tax rate, was used.

REVIEW OF RELATED LITERATURE

Corporate tax avoidance refers to a firm's strategies, whether through legal tax avoidance or illegal tax evasion, to reduce its tax liabilities (Lee et. Al., 2015). Traditionally, it has been considered to enhance shareholders' wealth by transferring value from the government to the corporations which can be viewed by shareholders positively (Ariff & Hashmin, 2014; Chen et al., 2014; Desai & Dharmapala, 2009;). Consequently, shareholders' confidence may increase which then leads to increase in firm value.

In Malaysia, a study about the effect of corporate tax avoidance and corporate governance on firm value was conducted by Ariff & Hashmin (2014). They measured corporate tax avoidance using the difference between effective tax rate and statutory rate. They included other variables such as size, leverage and other financial measures. Based on the results, it was found out that tax avoidance has a significant and positive effect on firm value at 1% level.

On the other hand, based on a study conducted by Desai, & Dharmapala (2009), opportunistic managers may use corporate tax avoidance for their own interests rather than that of the shareholders. This was supported by study of Ariff & Hashmin (2014) where it was stated that

shareholders' wealth may be enhanced through tax reduction but managers may have personal incentives to over or under-invest in tax avoidance.

Whereas, the results of the study conducted in China by Chen et al., (2014) provided evidence that tax avoidance increases agency costs and reduces firm value. They used three measures of corporate tax avoidance and found that all have positive and significant effect on agency cost which means that more tax aggressive corporations incur higher agency costs.

Lastly, in a study conducted by Katz, Khan, & Schmidt (2013), the implications of corporate tax avoidance on the association between current and future profitability in terms of pre-tax return on equity, were analyzed using the Dupont methodology. They examined selected listed firms using three-year cash effective tax rate. Their findings based on 29,358 firm-year observations, provide evidence that tax aggressive firms have lower future profitability.

Based on the review of literature, mixed results were provided by previous studies which is the primary reason for the research gap. Also, limited studies about corporate tax avoidance were conducted in the Philippine setting particularly with the industrial sector.

RESEARCH METHODOLOGY

Research Design & Sampling

This study used both the casual/explanatory research design. Initially, all 70 listed industrials corporations were selected. Then, companies that 1) incurred losses (Ariff & Hashim, 2014) and/or 2) lack data during the period of five years from 2012 to 2016, and/or 3) were listed subsequent to 2012, were excluded. The final sample consists of 29 listed corporations.

Research Procedures

To conduct the study, the accounting data and corporate governance information of the firms were obtained from the OSIRIS database, company websites and Philippine Stock Exchange website. Then, the measure of CTA (referred as differential tax rate) was calculated by deducting the computed ETR from the statutory rate (30%) during each year. Whereas, firms' financial performance were measured using return on assets and return on equity; while firm value was measured in terms of Tobin's Q. Also, some variables for firm characteristics (firm size, age and debt ratio) and corporate governance (board size, independence and CEO duality) were controlled. Finally, panel data analysis was employed using three regression models, Model 1, 2 & 3 using ROE, ROA and Tobin's Q as dependent variable, respectively. Model specification tests, robustness tests and correction procedures were also performed.

PRESENTATION OF FINDINGS AND DISCUSSION

Descriptive Analysis

Table 1 Descriptive Statistics of Variables of Interest						
Variable	Obs.	Mean	Median	Std.Dev.	Min.	Max.
Tobin's Q	145	1.430	0.960	1.400	0.030	7.160
Return on Equity	145	0.185	0.162	0.118	0.024	0.805
Return on Assets	145	0.098	0.082	0.074	0.008	0.532
Differential Tax Rate	145	0.073	0.065	0.104	-0.509	0.298
Firm Size	145	7.200	7.250	0.901	4.650	8.590
Firm Age	145	41.600	40.900	25.500	1.890	97.700
Debt Ratio	145	0.465	0.480	0.185	0.030	0.790
Board Size	145	9.900	10.000	2.120	6.000	15.000
Board Independence	145	0.272	0.273	0.111	0.000	0.818

As shown in Table 1, the average value of Tobin's Q is 1.43 which means that firm's market value is higher than the book value. For the firm performance measures, return on equity and return on assets have mean values of 0.185 and 0.098. For differential tax rate, which is the main independent variable, the mean value is 0.073 which confirms the presence of corporate tax avoidance among the firms. This means that on average, the avoided amount of tax is 7.3% of income before tax. However, it is worth to note that there are also firms which pays higher taxes based on effective tax rate compared to the statutory rate of 30%, such as the firm representing the minimum value of -0.509. This is consistent with the results of Chen et al. (2015) which suggest that tax laws are more conservative on expense recognition than accounting principles.

Panel Regression Analysis

Table 2 Regression Results for Models 1, 2 & 3									
Variable	Model 1-ROE			Model 2-ROA			Model 3-Tobin's Q		
	Coefficient	p-value		Coefficient	p-value		Coefficient	p-value	
Differential Tax Rate	0.143	0.000	***	0.064	0.001	***	0.097	0.285	
Firm Size	-0.680	0.000	***	-0.396	0.000	***	0.217	0.000	***
Firm Age	0.031	0.000	***	0.019	0.000	***	0.003	0.002	***
Debt Ratio	0.470	0.000	***	0.086	0.000	***	-0.758	0.000	***
Board Size	0.015	0.000	***	0.012	0.000	***	-0.168	0.000	***
Board Independence	-0.076	0.247		0.048	0.054		-1.434	0.000	***
CEO Duality	-0.008	0.302		-0.024	0.000	***	0.037	0.078	
Constant	3.434	0.000	***	2.005	0.000	***	1.617	0.000	**
R-squared	0.5002			0.5525					

Note: Significant at -- *10%, **5% and ***1% level.

As shown in Table 2, the coefficient of determinant (R-squared), a goodness-of-fit measure, for Model 1-ROE is 0.5002 indicating the percentage of variations in the dependent variable explained by the model. This means that 50.02% of the variations in return on equity (ROE) may be explained by the changes in the independent variables. With a coefficient of 0.143 differential tax rate has a significant positive effect on return on equity (ROE). This is inconsistent with the findings of the study of Katz et al. (2013). It affirms the applicability of stewardship theory and supports the traditional view wherein corporate manager uses tax savings to improve firm performance. Among control variables, firm size, age, debt and board size are significant. Firm size has coefficient of -0.680 which means it has a significant negative effect on ROE. Thus, higher total assets reduces ROE which is inconsistent with the results of the study of Mohammadoor (2014). Age has a significant positive effect on ROE with a coefficient of 0.031. This is consistent with the study of Chadha & Sharma (2015). For debt ratio, the coefficient of 0.470 indicates its significant positive effect on ROE. This result is inconsistent to that of Chadha & Sharma (2015).

Based on R-squared, Model 2-ROA explains 0.5525 of the variations in the dependent variable. With a coefficient of 0.064, differential tax rate has a positive significant effect on firm performance using return on assets as measure. This result is similar to the result in Model 1-ROE. Also, the results for the other control variables are substantially the same with the results in ROE. Whereas for firm value, differential tax rate has a positive insignificant effect on Tobin's Q as showed in its coefficient of 0.097. This is inconsistent with the results of the study of Ariff & Hashim (2014) stating that corporate tax avoidance has significant positive effect on firm value and that of Chen et al. (2014) stating that it has negative effect on firm value. Unlike for Model 1-ROE and Model 2-ROA, debt ratio with a coefficient of -0.758, has significant negative effect on firm value. Which indicates that investors view firm indebtedness negatively.

Additionally, the researcher also tested other models using a different proxy for corporate tax avoidance which is book-tax difference (difference of accounting income and taxable income). The results of the models are substantially similar with the results for Model 1-ROE and Model 2-ROA, but different for Model 3-Tobin's Q wherein the p-value turned out to be less than 0.000 indicating a positive significant effect.

CONCLUSION AND RECOMMENDATIONS

The objective of this study is to analyze and obtain empirical evidence about the effects of the corporate tax avoidance on financial performance and firm value. Based on the results, corporate tax avoidance has positive significant effect on financial performance both in terms of return on assets and return on equity which affirms the stewardship theory. However, it has positive insignificant effect on firm value in terms of Tobin's Q. Although, it should be noted that the results of the study should be interpreted with caution as it was shown particularly in Model 3 that changing the proxy from differential tax rate to book-tax difference has changed the significance of the effect of corporate tax avoidance on firm value.

Even though the results of the study suggest that engaging in corporate tax avoidance significantly increases financial performance, it should be noted that proxy used do not differentiates illegal and legal tax avoidance activities. Hence, the researcher still recommend to

the firms to assess their corporate tax avoidance strategies. This is to determine if the activities are considered legal here in the Philippines to avoid penalties and reputational costs.

Furthermore, the researcher recommends that for future research the increase in the number of the samples and inclusion of other sectors aside from the industrial sector. Other proxies for corporate tax avoidance may also be used and longer period be covered.

REFERENCES

- Ariff, A/. M., & Hashim, H. A. (2014). Governance and the Value Relevance of Tax Avoidance. *Malaysian Accounting Review*, 13(2). Retrieved from: <http://ari.uitm.edu.my/main/images/MAR/vol13-2/MAR13-2C4.pdf>
- Chadha, S., & Sharma, A. K. (2015). Capital Structure and Firm Performance: Empirical Evidence from India. *Vision*, 19(4), 295-302. doi:<http://0-dx.doi.org.lib1000.dlsu.edu.ph/10.1177/0972262915610852>
- Chen, X., Hu, N., Wang, X., & Tang, X. (2014). Tax Avoidance And Firm Value: Evidence From China. *Nankai Business Review International*, 5(1), 25-42. doi:<http://0-dx.doi.org.lib1000.dlsu.edu.ph/10.1108/NBRI-10-2013-0037>
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a Stewardship Theory Of Management. *Academy of Management.the Academy of Management Review*, 22(1), 20-47. Retrieved from <https://0-search.proquest.com.lib1000.dlsu.edu.ph/docview/210975871?accountid=28547>
- Desai, M. A., & Dharmapala, D. (2009). Earnings Management, Corporate Tax Shelters, and Book-Tax Alignment. *National Tax Journal*, 62(1), 169-186. Retrieved from: <http://0-web.b.ebscohost.com.lib1000.dlsu.edu.ph/bsi/pdfviewer/pdfviewer?vid=1&sid=df996b1c-8e1a-45a7-86b7-8d1f8bec5ce0%40sessionmgr104>
- Eisenhardt, K. (1989). Agency Theory: An Assessment and Review. *The Academy of Management Review*, 14(1), 57-74. Retrieved from <http://0-www.jstor.org.lib1000.dlsu.edu.ph/stable/258191>
- Katz, S., Khan, U., & Schmidt, A. P. (2013). Tax Avoidance and Future Profitability. Retrieved from https://www0.gsb.columbia.edu/mygsb/faculty/research/pubfiles/5876/Tax%20Avoidance%20and%20Future%20Profitability_1.pdf
- Hanlon, M., and S. Heitzman. 2010. A review of tax research. *Journal of Accounting and Economics* 50 (2), 127-178. Retrieved from <http://0-www.sciencedirect.com.lib1000.dlsu.edu.ph/science/article/pii/S0165410110000340>
- Lee, B. B., Dobiyanski, A., & Minton, S. (2015). Theories and empirical proxies for corporate tax avoidance. *The Journal of Applied Business and Economics*, 17(3), 21-34. Retrieved from <https://0-search.proquest.com.lib1000.dlsu.edu.ph/docview/17fchina27644636?accountid=28547>
- Mohammadoor, H. (2014). The Impact of Corporate Governance on Firm Performance on Stock Price Among Publicly Listed Companies in the Philippines 2009 to 2011. *Allied Academies International Conference: Proceedings Of The Academy For Studies In International Business (ASIB)*, 14(1), 5-6
- Yorke, S. M., Amidu, M., & Agyemin-Boateng, C. (2016). The effects of earnings management and corporate tax avoidance on firm value. *International Journal of Management Practice*, 9(2), 112-131.

THE IMPACT OF INTANGIBLES ON THE VALUE RELEVANCE OF ACCOUNTING INFORMATION: AN EMPIRICAL EXAMINATION OF LISTED COMPANIES IN THE PHILIPPINES FROM 2012 TO 2016

Roman Julio B. Infante, Sorsogon State College
Rodiel C. Ferrer, De La Salle University – Manila

ABSTRACT

Value relevance have been defined as the impact of financial statement variables in the valuation of securities. With the rise technological breakthroughs globally, this study proxies such innovations through intangibles and wants to investigate its effect on stock prices. By examining thirty (30) publicly-listed companies in the Philippines using panel data analysis, it was found that traditional accounting measures are still value relevant. When intangible variables are examined exclusively, only goodwill exhibits a significant impact but when traditional accounting measures are examined collectively with intangibles, it was determined that intangibles do increase the value relevance of accounting information by about 4.273%.

INTRODUCTION

Accounting information aids users in making decisions and its impact are often studied through its value relevance (International Accounting Standards Board, 2010). Value relevance of accounting information have been studied for years and one of its prime focus is the effect of summary accounting information over stock prices. The celebrated study of Feltham and Ohlson (1995) that delved into the impact of book value per share and earnings per share garnered appeal among users since the variables they used offer a glimpse of companies' financial position and financial performance. The main purpose of this paper is to investigate whether intangibles increase the value relevance of accounting information via panel data analysis on publicly-listed companies in the Philippines covering the years 2012 to 2016. The next section presents the literature review, section 3 delves on the research design and methods in examining the data, while the empirical results are discussed in section 4 and concludes with a summary at section 5.

LITERATURE REVIEW

The focus of this paper is to examine the incremental impact of intangibles on stock prices. For companies to properly evaluate the notions of intangibles and their applicability in their operations, a careful research should be conducted. Sougiannis (1994) insists that every dollar invested in research results in a five-dollar impact on market value of the stocks though the works

of Gong and Wang (2016) and Cifci et al. (2014) were skeptical in its findings saying that research and development costs have not much to say as to the value of stocks.

The goodwill however, are considered more to guide stock valuation given that business and combinations are often prominently announced as compared with research activities. The presence of goodwill would be one of immediate things that a reasonable financial statement reader would recognize after a business combination transpires and its significance was noted by Cazavan-Jeny (2003) and confirmed by McInnis and Monsen (2017).

Finally, Ledoux and Cormier (2013) held the significance of identifiable intangibles in the Canadian market as the world becomes more familiar with the benefits of intangibles in company operations. A similar study was done by Kimouche and Rouabhi (2016) in the French context and found the considerable impact of intangibles on stock prices. The latter study, however, attempted to measure the incremental value relevance of intangibles by calculating the increase in the model's strength through the R^2 whenever intangibles are included in the equation.

RESEARCH DESIGN AND METHODS

This study used a causal approach since it wants to determine the impact of intangibles on stock prices. Panel data were gathered from 30 from publicly listed companies in the Philippines covering the years 2012 to 2016. Data garnered concerns their year-end stock prices, book value per share, earnings per share, net cash flows, goodwill, identifiable intangibles, and their related expenses. The variables were scaled on a per share basis before converting them to their natural logarithmic forms to exhibit normality of data (Wooldridge, 2013).

RESULTS

Panel regression analysis was conducted and produced the following results. Table 1 exhibits the impact of traditional accounting measures on stock prices:

Table 1 THE IMPACT OF BOOK VALUE OF EQUITY PER SHARE LESS INTANGIBLE ASSETS ($\ln BV_{it}$), EARNINGS PER SHARE PLUS AMORTIZATION, IMPAIRMENT, AND RESEARCH AND DEVELOPMENT EXPENSES PER SHARE ($\ln E_{AIRD_{it}}$), AND NET CASH FLOWS ($\ln CF_{it}$) ON STOCK PRICES					
Variable	Coefficient	Std. Error	t-ratio	p-value	Significance
Constant	2.40305	0.315114	7.626	<0.0001	***
BVS ($\ln BV_{it}$)	0.229975	0.127746	1.800	0.0822	*
EPS ($\ln E_{AIRD_{it}}$)	0.0573115	0.0274927	2.085	0.0460	**
NCF ($\ln CF_{it}$)	-0.0210992	0.0115777	-1.822	0.0787	*
Adjusted $R^2 = 0.1566$; p-value of the joint test on named regressors = 0.0488604					
* Significant at 10% ** Significant at 5% *** Significant at 1%					

The results show that all variables were significant in the analysis. The study reiterates that the variables were defined in a manner that excludes intangibles from them so that the intangibles per share were deducted from the BVS and intangible asset expenses were added back to the EPS.

The overall p-value suggests that the explanatory variables are jointly significant at 5% yet this only explains as much as roughly 16% of the changes in stock prices as explained by the coefficient of determination (R^2). Table 2 then shows us the impact of intangibles on stock prices:

Table 2 THE IMPACT OF GOODWILL PER SHARE ($\ln GPS_{it}$), IDENTIFIABLE INTANGIBLE ASSETS PER SHARE ($\ln IDINTPS_{it}$), AND AMORTIZATION, IMPAIRMENT CHARGES, AND RESEARCH AND DEVELOPMENT EXPENSES PER SHARE ($\ln INTEXPS_{it}$) ON STOCK PRICES					
Variable	Coefficient	Std. Error	t-ratio	p-value	Significance
Constant	3.04686	0.0333290	91.42	<0.0001	***
GPS ($\ln GPS_{it}$)	0.109984	0.0255478	4.305	0.0002	***
IDINTPS ($\ln IDINTPS_{it}$)	-0.00379885	0.0103673	-0.3664	0.7167	
INTEXPS ($\ln INTEXPS_{it}$)	-0.00262499	0.00472204	-0.5559	0.5825	
Adjusted $R^2 = 0.0491$; p-value of the joint test on named regressors = 0.00133504					
* Significant at 10% ** Significant at 5% *** Significant at 1%					

Results show that only goodwill were deemed to be significant. This seems odd since by ultimately resorting to the fixed effects model, goodwill (which is more often a sluggish account that do not necessarily fluctuate yearly) is expected to have an insignificant estimate. Note that the variables were expressed on a per share basis and most of the companies in the sample have differing number of outstanding shares at the end of each year resulting in a fluctuating figure for the goodwill. The joint f-test yielded a p-value of 0.00133504 but the lone significant variable only explains approximately 5% of stock price fluctuations.

The collective value relevance of both traditional accounting measures and intangibles is reflected in Table 3 as follows:

Table 3 THE IMPACT OF GOODWILL, IDENTIFIABLE INTANGIBLES, INTANGIBLE-RELATED EXPENSES, BOOK VALUE PER SHARE, EARNINGS PER SHARE, AND NET CASH FLOWS ON STOCK PRICES					
Variable	Coefficient	Std. Error	t-ratio	p-value	Significance
Constant	2.38735	0.339216	7.038	<0.0001	***
GPS ($\ln GPS_{it}$)	0.0421324	0.0388433	1.085	0.2870	
IDINTPS ($\ln IDINTPS_{it}$)	0.00425191	0.00966820	0.4398	0.6634	
INTEXPS ($\ln INTEXPS_{it}$)	-0.00703983	0.00631218	-1.115	0.2739	
BVS ($\ln BV_{it}$)	0.225031	0.129780	1.734	0.0936	*
EPS ($\ln E_{it}$)	0.0569278	0.0321616	1.770	0.0872	*
NCF ($\ln CF_{it}$)	-0.0150675	0.0122238	-1.233	0.2276	
Adjusted $R^2 = 0.1722$; p-value of the joint test on named regressors = 0.00612698					
* Significant at 10% ** Significant at 5% *** Significant at 1%					

This model intended to jointly test both the traditional accounting measures and intangibles' impact on stock prices and showed that BVS and EPS are significant at 10% with p-

values of 0.0936 and 0.0872, respectively. The BVS shows the greatest impact with a 0.22% change on stock prices as compared with the 0.06% impact of the EPS for every percentage point change of the said variables. The F-test revealed that the variables are jointly significant at 1% with a p-value of 0.00612698 but explains only 17% of stock price fluctuations.

Ultimately, the incremental value relevance of intangibles is measured by looking at the improvements in the R^2 and the p-values of Tables 3 and 1. The results of these is reflected in Table 4:

Table 4 INCREMENTAL VALUE RELEVANCE OF INTANGIBLES		
Model	Adjusted coefficient of determination (R^2)	P-value of the model
Traditional accounting and intangibles ($VR\ TAM, IN$)	0.1722	0.00612698
Traditional accounting only ($VR\ TAM$)	0.1566	0.0488604
Incremental value relevance of intangibles ($VR\ INT TAM$)	0.0156	0.04273

Table 4 shows how the incremental value relevance of intangibles was measured. The adjusted coefficient of determination looks at the goodness of fit of the econometric models by technically accounting for the explained sum of squares of the estimates. The data determined that intangibles somehow improve the prediction of stock prices by roughly 2% in addition to traditional accounting measures. When using the p-value, intangibles increases the value relevance of accounting information by about 4.273%.

CONCLUSION AND RECOMMENDATIONS

The purpose of this study is to determine the value relevance of intangibles among publicly listed companies in the Philippines for the period 2012 to 2016. It included 30 companies from the holding, industrial, property, and service industries and analyzed the impact of their traditional accounting measures and intangibles on stock prices. Ultimately, this measured the incremental impact of intangibles on stock prices by comparing the value relevance measures of models developed from the above objectives. It was found that intangibles do increase the value relevance of accounting information by roughly 4.273%.

Intangibles were studied in this paper as a proxy to innovations. Incentives can be legislated by the government and/or offered by non-government offices that would encourage entities to pursue innovations. Start-ups can be targeted and motivated to file patents for their products and/or processes that marks their uniqueness from other firms. Seed funding can be offered to potential entrepreneurs whose products and/or processes have a certain “patentability”. Research endeavors should be encouraged and properly funded among firms to be able to carefully study the impact of company products on public welfare and should always come first before determining the profitability of firms. Intangible investments have more to offer to firms and its stakeholders. Although this remains to be seen in the Philippines, no doubt that the continuous growth of our markets would uncover the great potential that intangibles offer in the coming years.

REFERENCES

- Ali, A., Jan, F., & Sharif, I. (2015). Effect of dividend policy on stock prices. *Business and Management Studies: An International Journal*, 3(1), 56-87. Retrieved from <http://dx.doi.org/10.15295/bmij.v3i1.101>
- Blair, M. M., & Stout, L. A. (1999, March). A Team Production Theory of Corporate Law. *Virginia Law Review*, 85(2), 247-328. Retrieved June 3, 2017, from <http://www.jstor.org/stable/1073662?origin=JSTOR-pdf>
- Cazavan-Jeny, A. (2003). Value relevance of expensed and capitalized intangibles - Evidence from France. CENTRE DE RECHERCHE.
- Cifci, M., Darrough, M., & Mashruwala, R. (2014). Value Relevance of Accounting Information for Intangible-Intensive Industries and the Impact of Scale: The US Evidence. *European Accounting Review*, 23(2), 199-226. Retrieved from <http://dx.doi.org/10.1080/09638180.2013.815124>
- Clarkson, P., Hanna, J., Richardson, G. D., & Thompson, R. (2011). The impact of IFRS adoption on the value relevance of book value and earnings. *Journal of Contemporary Accounting and Economics*, 7, 1-17. doi:10.1016/j.jcae.2011.03.001
- Collins, D. W., Maydew, E. L., & Weiss, I. S. (1997). Changes in the value-relevance of earnings and book values over the past forty years. *Journal of Accounting and Economics*, 24, 39-67.
- Congress of the Republic of the Philippines. (1996, July 22). Republic Act 8293 - The Intellectual Property Code of the Philippines, as amended. Philippines: Official Gazette.
- Dewi, R., Suhadak, & Handayani, S. (2015). THE EFFECTS OF CAPITAL STRUCTURE AND GOOD CORPORATE GOVERNANCE ON DIVIDEND POLICY AND FIRM VALUE: An Empirical Research at Banks Listed in Indonesia Stock Exchange for the Period 2008-2012. *e-Journal Fakultas Ilmu Administrasi Universitas Brawijaya*, 9(2), 51-69. Retrieved from <http://ejournalfia.ub.ac.id/index.php/profit/article/viewFile/630/896>
- Durham, A. (2017). THE TROUBLE WITH TACKLING: A RECONSIDERATION OF TRADEMARK PRIORITY. *Houston Law Review*, 54(5), 1027-1077.
- Feltham, G. A., & Ohlson, J. A. (1995). Valuation and clean surplus accounting for operating and financial activities. *Contemporary Accounting Research*, 11(2), 689-731.
- Gong, J., & Wang, S.-L. (2016). Changes in the value relevance of research and development expenses after IFRS adoption. *Advances in Accounting, incorporating Advances in International Accounting*, 35, 49-61. Retrieved from <http://dx.doi.org/10.1016/j.adiac.2016.05.002>
- International Accounting Standards Board. (2008, January). International Financial Reporting Standards 3 - Business Combinations.
- International Accounting Standards Board. (2010, September). The Conceptual Framework for Financial Reporting.
- International Accounting Standards Board. (2014, May). International Accounting Standards 38 - Intangible Assets.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics*, 3(4), 305-360.
- Kimouche, B., & Rouabhi, A. (2016). The impact of intangibles on the value relevance of accounting information: Evidence from French companies. *Intangible Capital*, 12(2), 506-529.
- Ledoux, M.-J., & Cormier, D. (2013). Market assessment of intangibles and voluntary disclosure about innovation: the incidence of IFRS. *Review of Accounting and Finance*, 12(3), 286-304. doi:10.1108/RAF-Apr-2012-0033
- Mastrangelo, L., Calderon-Monge, E., & Huerta-Zavala, P. (2016). Franchise fairs: A relevant signal in franchise choice in social activity. *Contemporary Economics*, 10(3), 275-282. doi:10.5709/ce.1897-9254.215
- McInnis, J., & Monsen, B. (2017). Are the Recorded Values of Acquired Intangible Assets Indicative of Their Future Payoffs? SSRN. Retrieved from <http://dx.doi.org/10.2139/ssrn.2956669>
- Meese, A. J. (2002, March). The team production theory of corporate law: a critical assessment. *William and Mary Law Review*, 43(4), 1629-1702.
- Monterey Institute for Technology and Education. (2017). *Introduction to Natural and Common Logarithms*. Retrieved from Developmental Math: http://www.montereyinstitute.org/courses/DevelopmentalMath/COURSE_TEXT2_RESOURCE/U18_L3_T1_text_final.html

- Ratiu, R., & Tudor, A. (2013). THE CLASSIFICATION OF GOODWILL- AN ESSENTIAL ACCOUNTING ANALYSIS. *Review of Economic Studies and Research Virgil Madgearu*, 6(2), 137-149. Retrieved from <https://search.proquest.com/docview/1462416731?accountid=28547>
- Rees, W. (1997). THE IMPACT OF DIVIDENDS, DEBT AND INVESTMENT ON VALUATION MODELS. *Journal of Business Finance and Accounting*, 24(7 and 8), 1111-1140.
- Sougiannis, T. (1994, January). The Accounting Based Valuation of Corporate R&D. *The Accounting Review*, 69(1), 44-68. Retrieved from <http://www.jstor.org/stable/248260>
- Spence, M. (1973, August). Job Market Signaling. *The Quarterly Journal of Economics*, 87(3), 355-374. Retrieved from <http://links.jstor.org/sici?sici=0033-5533%28197308%2987%3A3%3C355%3AJMS%3E2.0.CO%3B2-3>
- Tahat, Y. A., & Alhadab, M. (2017). Have accounting numbers lost their value relevance during the recent financial credit crisis. *The Quarterly Review of Economics and Finance*. Retrieved from <http://dx.doi.org/10.1016/j.qref.2017.02.007>
- Tang, A. C. (2015). An Empirical Investigation of the Effects of Mergers and Acquisitions on Market and Financial Performance of Publicly Listed Banks in the Philippines from 1999 - 2008: When Two Become One.
- Wooldridge, J. M. (2013). *Introductory Econometrics: A Modern Approach* (5th ed.). Mason, Ohio, United States of America: South-Western, Cengage Learning.
- Wu, T. C., Hsieh, W., Yu, C., & Chu, H. (2017). Value relevance of financial statements in convergence with IFRS: analyses in the abnormal pricing error method. *Applied Economics Letters*, 24(7), 490-493. doi:10.1080/13504851.2016.1205714

IMPACT OF REAL EARNINGS MANAGEMENT ON FINANCIAL PERFORMANCE AND FIRM VALUE: EVIDENCE FROM THE PHILIPPINES

Rina A. Abner, De La Salle University, Philippines

Rodiel C. Ferrer, De La Salle University, Philippines

ABSTRACT

This study deals with the opportunistic perspective of earnings management (EM) where managers are suspected to perform some EM practices using cash flows from operations (CFO), production costs and discretionary expenses. It investigates the influence of real earnings management (REM) on financial performance and firm value of public companies in the Philippines under the food, beverage and tobacco (FBT) sector for a four-year period, 2013-2016.

The study found out that EM through CFO, production costs and discretionary expenses have no significant impact on the company's financial performance in terms of ROE and ROA but have significant impact on EPS. Earnings management through CFO has negative and significant impact on EPS, while EM with the aid of discretionary expenses has positive and significant impact on EPS. This study also finds evidence that EM through CFO has significant impact on the company's value (Tobin's Q). Firm age and firm size are found to positively impact ROA, while firm leverage is found to negatively influence ROE and Tobin's Q.

Results of this study call for further investigation on EM which should contain wider coverage, include all the public companies in the Philippines and conduct industry analyses.

INTRODUCTION

At times when a firm is not able to achieve its shareholder value maximization objective, management may engage to some earnings manipulation activities to meet the expectations of shareholders and other stakeholders (Joosten, 2012). "There is substantial evidence that executives engage in earnings management" (Roychowdhury, 2006, p. 336). Earnings management (EM) may result to grave consequences which may lead to business failure. Rooted on the assumptions of the Agency Theory, the manager may alter reported earnings through exploitation of the looseness of accounting standards (Rahmawati, Honggowati, & Supriyono, 2014).

Limited studies have been conducted proving that EM has significant effects on company's financial performance and firm value. The key players in a corporation must understand the consequences of performing earnings management as it is linked with financial performance and firm value so better strategic decisions can be made. It is in this context that this study is conceptualized; exploring the opportunistic perspective, it aims to investigate the impact of real earnings management on financial performance and firm value.

LITERATURE REVIEW

Earnings management is an understudied area of research, and literatures linking earning management with financial performance is very limited. Most of the researches previously conducted focused on explaining earnings management and why it exists (Healy & Wahlen, 1999). This study tried to find the extant literatures on earnings management.

Earnings management (EM) can be both efficient and opportunistic. It is efficient if it “improves earnings informativeness in communicating private information” (Siregar & Utama, 2008, p. 2), and it is opportunistic if it is aimed at maximizing management’s utility (Cornett, Marcus, & Tehranian, 2008; Siregar & Utama, 2008). Most of the studies conducted relate to opportunistic EM, in fact, most of the definitions of EM imply that it is opportunistic and ultimately aimed at manipulating financial reports to maximize management’s utility (Healy, 1985; Healy & Wahlen, 1998; Joosten, 2012; Scott as cited by Siregar & Utama, 2008). This study is grounded on Agency Theory of Jensen & Meckling (1976) where the management may perform some actions that maximize their utility at the expense of the shareholders, thus the opportunistic perspective of EM is the one presented in this paper. The definition of Healy & Wahlen (1999) is consistent with opportunistic earnings management which involves using judgment in financial reporting to alter financial reports, and such alteration leads to misleading stakeholders about a company’s economic performance. Joosten (2012) discussed two general means to manage earnings – 1) deviating from normal business operations and 2) altering the level of accruals. The deviation from normal business operations, also called “real earnings management” (Roychowdhury, 2006), is further subdivided into deviations from operating and investing activities and deviations from financing activities under which several examples are provided in this paper. Further, Roychowdhury (2006) found evidence on real earnings manipulation by temporarily increasing sales through discounts, lowering cost of goods sold through overproduction, and improving reported margins by reducing discretionary expenditures.

Earnings management can be used by the management to exhibit and fulfill their opportunistic behaviors. Deviating from normal business operations can be effectively used as means to manage earnings. This study fills an important research gap by determining the impact of real earnings management on financial performance and firm value.

DATA AND METHODOLOGY

This study covers all the public companies under the Food, Beverage and Tobacco (FBT) Sector in the Philippine Stock Exchange (PSE) with published annual reports for a four-year period from 2013 to 2016. As of 2016, there are 23 companies listed under the FBT Sector. Among the 23 FBT companies, three do not have complete data, thus, yielding a total of 20 sample companies.

Financial performance is proxied by Return on Equity (ROE), Return on Assets (ROA) and Earnings per Share (EPS), while Tobin’s Q represents firm value. Other variables such as CSR Index (CSRI), firm age (AGE), firm size (SIZE), and firm leverage (LEV) are also considered.

Financial information was obtained from the company's annual reports which were gathered from OSIRIS database. Deviations of the actual operations from the estimated normal operations were determined and termed as “abnormal” operations.

Estimating Normal Operations

The abnormal cash flow from operations (CFO) was determined by getting the difference between the actual cash flow from operations and “normal” cash flow from operations estimated using the following the formula (Roychowdhury, 2006):

$$\text{CFO}_t/\text{A}_{t-1} = \alpha_0 + \alpha_1(1/\text{A}_{t-1}) + \beta_1(\text{S}_t/\text{A}_{t-1}) + \beta_2(\Delta\text{S}_t/\text{A}_{t-1}) + \varepsilon_t$$

where A_t is the total assets at the end of period t , S_t the sales during period t and $\Delta\text{S}_t = \text{S}_t - \text{S}_{t-1}$.

Abnormal production cost (PROD) is derived by getting the difference between the actual production costs and “normal” productions costs estimated using the following formula:

$$\text{PROD}_t/\text{A}_{t-1} = \alpha_0 + \alpha_1(1/\text{A}_{t-1}) + \beta_1(\text{S}_t/\text{A}_{t-1}) + \beta_2(\Delta\text{S}_t/\text{A}_{t-1}) + \beta_3(\Delta\text{S}_t/\text{A}_{t-1}) + \varepsilon_t$$

Production costs is defined in this study as the sum of cost of goods sold (COGS) and change in inventories (ΔINV) throughout the year.

$$\text{COGS}_t/\text{A}_{t-1} = \alpha_0 + \alpha_1(1/\text{A}_{t-1}) + \beta(\text{S}_t/\text{A}_{t-1}) + \varepsilon_t$$

$$\Delta\text{INV}_t/\text{A}_{t-1} = \alpha_0 + \alpha_1(1/\text{A}_{t-1}) + \beta_1(\text{S}_t/\text{A}_{t-1}) + \beta_2(\Delta\text{S}_{t-1}/\text{A}_{t-1}) + \varepsilon_t.$$

Consistent with Roychowdhury (2006), discretionary expenses (DISEXP) in this study include cost of advertising, research and development expenses and selling, general and administrative expenses. The normal discretionary expenses is estimated using the formula:

$$\text{DISEXP}_t/\text{A}_{t-1} = \alpha_0 + \alpha_1(1/\text{A}_{t-1}) + \beta(\text{S}_t/\text{A}_{t-1}) + \varepsilon_t.$$

Models Used to Test the Hypotheses

This study used the following models to determine the impact of real earnings manipulation on financial performance and firm value:

$$\text{FP} = \beta_1 + \beta_2 (\text{REMCFO}_{it-1}) + \beta_3 (\text{REMPROD}_{it-1}) + \beta_4 (\text{REMDISEXP}_{it-1}) + \beta_5 (\text{CSRI}_{it-1}) + \beta_6 (\text{AGE})_{it} + \beta_7 (\text{SIZE})_{it} + \beta_8 (\text{LEV})_{it} + \varepsilon_{it} \quad (\text{Model 1})$$

$$\text{FV} = \gamma_1 + \gamma_2 (\text{REMCFO}_{it-1}) + \gamma_3 (\text{REMPROD}_{it-1}) + \gamma_4 (\text{REMDISEXP}_{it-1}) + \gamma_5 (\text{CSRI}_{it-1}) + \gamma_6 (\text{AGE})_{it} + \gamma_7 (\text{SIZE})_{it} + \gamma_8 (\text{LEV})_{it} + \varepsilon_{it} \quad (\text{Model 2})$$

Where FP is Financial Performance, FV is Firm Values, $REMCFO_{it-1}$ is the earnings manipulation through cash flow from operations, $REMPROD_{it-1}$ is the earnings manipulation through production costs, $REMDISEXP_{it-1}$ is the earnings manipulation through discretionary expenses, $CSRI_{it-1}$ is CSR Index, AGE_{it} is the company's number of years in operation, $SIZE_{it}$ is the natural logarithm of total assets and LEV_{it} is firm leverage or debt-equity ratio.

RESULTS

Table 1 shows that real earnings management (REM) through cash flows from operations, production costs and discretionary expenses have no significant impact on the company's ROE and ROA, while REM through CFO (negative coefficient of $3.78e-09$) and discretionary expenses (positive coefficient of $6.38e-09$) have impact on EPS significant at 1% level. The negative impact of earnings management through CFO could be attributed to the re-establishment of the company's normal operations in the years succeeding after they perform the REM. When the company performs some REM, its operations tend to deviate from the normal. For REM through CFO, temporary sales discounts and more lenient credit terms could have been offered by the company which later disappears, so does the marginal effect on EPS of such real earnings management. For discretionary expenses, using it as one means to manage earnings has positive impact on EPS. The reduction of discretionary expenses tends to lead to a higher bottom-line figure which reflects on EPS. It is interesting to note that real earnings management has no significant impact on ROE and ROA while it has significant impact on financial performance in terms of EPS. All the three financial performance proxies account for the earnings of the company but the impact of REM on EPS is quite different from the other two nonetheless. It seems that real earnings management will be more favorable for companies seeking to improve their reported EPS.

Table 1				
Impact of Real Earnings Management on Financial Performance and Firm value				
VARIABLES	ROE	ROA	EPS	TQ
REMCFO _{it-1}	-0*	0	-3.78e-09***	-0**
	(0)	(0)	(4.39E-10)	(0)
REMPROD _{it-1}	0	0	-7.70e-10*	0
	(0)	(0)	(4.36E-10)	(0)
REMDISEXP _{it-1}	0	0	6.38e-09***	0
	(0)	(0)	(1.33E-09)	(6.83E-11)
CSRI _{it-1}	0.617	0.0128	-17.86*	-1.153
	(0.817)	(0.103)	(9.684)	(2.327)
AGE _{it}	1.253	0.0755**	5.39	1.235
	(0.91)	(0.0301)	(3.998)	(2.597)
SIZE _{it}	0.0662	0.101***	-5.441	-2.383***
	(0.129)	(0.0349)	(5.549)	(0.665)
LEV _{it}	-0.0302**	-0.00915	-5.647*	-0.288***
	(0.0106)	(0.00929)	(2.901)	(0.0812)
Constant	-5.3	-1.227***	45.41	21.64*
	(3.167)	(0.363)	(51.26)	(12.12)
Observations	80	80	80	80
Number of PLC	20	20	20	20
R-squared	0.162	0.269	0.629	0.603
Adjusted R-squared	0.081	0.197	0.593	0.564

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Firm age and firm size are found to positively impact ROA which suggests that as the company ages and grows, it finds and utilizes better market opportunities and other strategic advantages which improve ROA. This study also presents evidence that firm leverage has negative and significant impact on ROE. This could be attributed to the company's inefficient utilization of debt financing.

Results also show that when the EM through CFO increases, the company's Tobin's Q declines, and the impact is significant at 5% level. Among the three REM means, only REM through CFO has a significant impact on Tobin's Q which implies, as previously discussed, the disappearance of the marginal effects of temporary discounts and more lenient credit terms offered caused negative impact of the company's firm value. Further, the CSR of the companies does not have significant impact on Tobin's Q. The economic benefits of the company's CSR involvement may not yet reflect on the company's share market prices because CSR in the Philippines is philanthropic and charitable rather than sustainable and responsible (Taylor, n.d.).

Firm size and firm leverage have negative and significant impact on firm value. As the company grows, its complexity in terms of operations and costs could have been a disadvantage which reflected in the firm value. The negative impact of firm leverage on Tobin's Q could be caused by taxing financing costs and inefficiency in the company's utilization of debt financing.

CONCLUSION

This study examines the impact real earnings management (REM) on financial performance and firm value. Real earnings management is evaluated through deviations from normal operations which was divided into three means – REM through cash flow from operations, productions costs and discretionary expenses. Financial performance is proxied by ROE, ROA and EPS, while Tobin's Q represents firm value.

The study found out that EM through CFO, production costs and discretionary expenses have no significant impact on the company's ROE and ROA, while EM through CFO has negative and significant impact on EPS and EM through discretionary expenses has positive and significant impact on EPS. As the company re-establishes its normal operations, the marginal effects of sales discounts and more lenient credit terms disappear which affect the company's EPS. The consequences of deviating from the normal CFO of the company has also reflected in the company's value as results showed that REM through CFO has negative and significant impact on Tobin's Q. Firm age and firm size are found to positively impact ROA, while firm leverage has negative and significant impact on ROE. Further, it was also found out that firm size and firm leverage have negative and significant impact on the company's Tobin's Q.

Results of this study call for future investigation which should contain wider coverage, include all the public companies in the Philippines and conduct industry analyses.

REFERENCES

- Cornett, M. M., Marcus, A. J., & Tehranian, H. (2008). Corporate governance and pay-for-performance : The impact of earnings management. *Journal of Financial Economics*, 87, 357–373. <https://doi.org/10.1016/j.jfineco.2007.03.003>
- Healy, P. M. (1985). THE EFFECT OF BONUS SCHEMES ON ACCOUNTING DECISIONS. *Journal of Accounting and Economics*, 7, 85–107. Retrieved from https://econ.au.dk/fileadmin/Economics_Business/Education/Summer_University_2012/6308_Advanced_Financial_Accounting/Advanced_Financial_Accounting/4/Healy_JAE_1985.pdf
- Healy, P. M., & Wahlen, J. M. (1999). A Review of the Earnings Management Literature and Its Implications for Standard Setting. *American Accounting Association*, 13(4), 365–383. Retrieved from <http://0-web.aebshost.com.lib1000.dlsu.edu.ph/ehost/viewarticle/render?data=dGJyMPPp44rp2%2FdV0%2Bnjsfk5Ie46bdKsa2uTrKk63nn5Kx68d%2B%2BT62prUqup7U4t7CxULiqrji%2Fw6SM8Nfsi9%2FZ8oHt5Od8u6e3TLOvtU%2BwrbY%2B6tfsf7vb7D7i2Lt68t6kjN%2Fdu1nMnN%2BGu6i2Sa%2Bot0%2Bk3O2K69fyVe7a5F7z4ups4%2B7y&vid=3&sid=f87fd6bb-3537-47f8-a75f-fdd320f6063e@sessionmgr4007>
- Jensen, M. C., & Meckling, W. H. (1976). THEORY OF THE FIRM : MANAGERIAL BEHAVIOR , AGENCY COSTS AND OWNERSHIP STRUCTURE. *Journal of Financial Economics*, 3, 305–360. Retrieved from http://ac.els-cdn.com/0304405X7690026X/1-s2.0-0304405X7690026X-main.pdf?_tid=36e8e6c4-15f5-11e7-8f3a-00000aabb0f27&acdnat=1490953039_2909b4dd6af45850c7dc5148539c8af3
- Joosten, C. (2012). *Real earnings management and accrual-based earnings management as substitutes*. Tilburg University. Retrieved from <https://www.google.com.ph/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwjpyPyg1ZnUAhWfKJQKHfjeDwcQFggnMAA&url=http%3A%2F%2Farno.uvt.nl%2Fshow.cgi%3Ffid%3D127248&usq=AFQjCNFMqTZsjxjegNNKaMlmvmLepDeEw&sig=2y2siLN3AAmtyaqEMD65k1w>

- Rahmawati, Honggowati, S., & Supriyono, E. (2014). The Effect of Corporate Social Responsibility on Financial Performance with Real Manipulation as. *International Journal of Management, Economics and Social Sciences*, 3(2), 59–78. Retrieved from <https://www.google.com.ph/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKewi0m6a21pnUAhWBqpQKHbMHAM4QFggkMAA&url=http%3A%2F%2Fwww.ijmess.com%2Fvolumes%2Fvolume-III-2014%2Fissue-II-06-2014%2Ffull-1.pdf&usg=AFQjCNHOKJFGYjXx8tE9Z8l6X7rgXsfL>
- Roychowdhury, S. (2006). Earnings management through real activities manipulation \$. *Journal of Accounting and Economics*, 42, 335–370. <https://doi.org/10.1016/j.jacceco.2006.01.002>
- Siregar, S. V., & Utama, S. (2008). Type of earnings management and the effect of ownership structure , firm size , and corporate-governance practices : Evidence from Indonesia. *The International Journal of Accounting*, 43, 1–27. <https://doi.org/10.1016/j.intacc.2008.01.001>
- Taylor, B. (n.d.). Corporate Social Responsibility Philippines : Where we are Now. Retrieved from <http://www.directgreen.net/blog/corporate-social-responsibility-philippines-where-we-are-now/>

IMPACT OF CORPORATE TRANSPARENCY ON TARGET FIRM'S ACQUISITION OPPORTUNITIES AND PREMIUMS: A SHORT-TERM STUDY

Y. Ling Lo, Western Kentucky University

ABSTRACT

I examine how the different corporate transparency levels affect target firms' market-timing opportunities and profits in the mergers and acquisitions market. My results show that acquirers have tendency to avoid LT targets, since it is HT targets that are more likely to receive takeover offers. While the univariate results show that LT targets always received higher acquisition premiums, after controlling for undervaluation and for various firm characteristics, I find that it is actually high transparency (HT) targets that earn higher acquisition premiums in general. It is only when competition level in the acquisition market is strong or when the target has strong negotiating power, LT targets can successfully demand higher acquisition premiums, while the rest of the LT targets tend to receive lower acquisition premiums than their HT counterparts. Therefore, target firms in general should increase their transparency if they want to earn higher acquisition premiums.

REVIEW OF RESPONSIBILITY ACCOUNTING: ILLUSTRATION OF INTERNAL RELATIONSHIPS AMONG COST ACCOUNTING, MANAGERIAL ACCOUNTING AND RESPONSIBILITY CENTERS

Iffat Mahmud, Tennessee Tech University

Ismet Anitsal, Tennessee Tech University

Melek Meral Anitsal, Tennessee Tech University

ABSTRACT

From today's fast-paced complex and large-scale business operations, there is a need of decentralization for better analysis and decision-making. If decisions taken at the core are based on accurate information and scrutiny, the upper level decision-making becomes immaculate. To meet up the need of decentralization, responsibility accounting was introduced. From 1920-2015, we can see the evolution of the concept of responsibility accounting and responsibility center. From deeper study of responsibility center, the interrelationship among cost, profit, revenue and investment centers are revealed. As every function of an organization needs capital investment in manufacturing and sales activities, investment center covers all the centers. The intersecting part of cost and revenue center, is the profit center which needs the information from and is effected by the managerial decisions of, cost and revenue centers. The benefits of developing and understanding of interrelationship of responsibility centers are more organized and related information, better decision making and cost control. This study focuses on the historical background and the position of responsibility accounting in an organizational accounting system. The internal relationships between responsibility centers provides better knowledge and deeper understanding of reporting process. This understanding will add speed in the organization.

THE DEMISE OF THE U.S. TREASURY'S myRA RETIREMENT PROGRAM: WHY IT FAILED

Richard Powell, Pepperdine University
Steven Ferraro, Pepperdine University

ABSTRACT

The U.S. Treasury has announced the termination of its myRA program. This program, enacted during the Obama era in 2015, was designed to get more Americans to save for retirement. The program operated as a starter for a Roth IRA account for those individuals who did not have retirement plans at work. The program had automatic payroll deductions, no fees, no minimum balance, and virtually no risk with the funds being invested in Treasury debt. When a balance reached \$15,000, then the savings rolled over into a private sector Roth IRA.

This paper explains why the program failed. To begin with, the program had few participants. A problem for participants was the low rate of return on Treasury debt. This type of retirement fund needs better returns over a long investment horizon. Unfortunately for the myRA program, potential participants can find private sector alternatives with better expected returns. In addition, the program had high management costs for the government. Taxpayers paid nearly \$70 million in management costs since the date of launch and the government expected future costs to run \$10 million per year. Unfortunately, the participants contributed only \$34 million to their accounts. The result was a failed government program.

One purpose of the program was to improve retirement income for seniors. But the government efforts on the myRA program were misguided. A basic analysis of the program's characteristics, with a comparison to the characteristics of market alternatives, reveals the inadequate design of the program. Unfortunately, the government wasted substantial funds administering this doomed program. Those government funds could have better gone to shoring up Social Security, an important program that provides retirement income for seniors. Social Security has solvency problems and needed the funds wasted on the myRA program.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/irIYBVfjtHE>

FROM QUALIFIED, GOING-CONCERN TO UNQUALIFIED, CLEAN OPINIONS

Tae G. Ryu, Metropolitan State University of Denver
Gregory Clifton, Metropolitan State University of Denver

ABSTRACT

In 2014, Audit Analytics issued a report in which it performed a 15-year study of going-concern opinions filed with the Securities Exchange Commission. This analysis found that the going-concern modifications peaked at 3,355 (21.1% of all opinions) in 2008 and dropped to 2,403 (16.7%) in 2013, the lowest level over a 15-year period. Approximately 20% of all filers have received a going-concern opinion in each year from 2007 to 2013, and 74.41% of these companies have repeatedly done so. Also, this study shows that the most common reason (52.31%) for apprehension regarding a company's continued existence is the operating losses (including recurring losses). The second reason is attributable to inadequate working capital or current ratio deficits (28.91%). Many previous studies have examined the issue of why a company receives a going concern opinion from its auditor. These studies found that auditors are more likely to issue a going-concern opinion when their clients are less profitable, have higher leverage, lower liquidity, smaller in size and default their debt.

However, no research has done anything on the issue of how a company is able to receive an unqualified, clean opinion only a year after it received a going-concern opinion. This is probably due to the fact that it is extremely hard to find those sample companies: only 1,473 or 1.37% of total companies (107,827) survived the going-concern opinion stigma, and most companies received the going-concern opinion year after year or disappeared for good.

From the [LexisNexis Academic](#) database, we found 28 companies that filed a going-concern opinion between 2009 and 2015, and then filed a clean opinion a year after. In this study, the financial characteristics of those companies were examined and compared with 33 randomly selected companies that received a qualified, going-concern opinion two years in a row.

The current research results show that 28 going-concern opinion survivors, when compared to the 33 companies, have made a significant improvement in profitability, liquidity, capital structure and cash flows in one fiscal year. The single most significant improvement was made in profitability. The 28 companies' net income and return on asset (net income/total asset) increased 547% and 424%, respectively, while the 33 companies' net income and return on asset decreased 39% and 56%, respectively. The second most significant improvement is in liquidity. The 28 survivors' working capital increased 386% while 33 companies' working capital decreased 75%. Also, the improvement in stockholders' equity (264%) cash flows (148%) is impressive in those 28 companies.

LABOR SUPPLY, ENDOGENOUS WAGE DYNAMICS AND TAX POLICY

Ricardo Santos, Trinity University
Arpad Abraham, European University Institute
Jay Hong, Seoul National University

ABSTRACT

We analyze analytically, quantitatively, and empirically a framework where labor supply has three distinct roles. First, as usual, it increases contemporaneous earnings. Second, because of incomplete asset markets, it provides some partial insurance for idiosyncratic labor productivity shocks. And last, labor supply also works as investment in future earnings potential (human capital).

We find that ignoring the presence of the dynamic component of labor supply biases upward the estimate of the Frish elasticity significantly (doubles it up). It is also found that, in our model with the dynamic effect of labor supply and low elasticity of labor supply, a reduction in progressivity of the tax system has a higher aggregate effect than in a model which is identical but the wage process is exogenous.

THE ECONOMIC IMPACT OF PCAOB'S NEW AUDITING STANDARD REGARDING CRITICAL AUDIT MATTERS, AUDITOR TENURE, AND STANDARDIZED REPORT FORMAT

Sharon Seay, University of West Georgia

ABSTRACT

This paper explores the economic impact of the PCAOB's new auditing standard, AS 3101, The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion, released June 1, 2017. The Board is adopting the final standard after more than six years of research, outreach, and public comment. While the standard audit report has generally remained unchanged since the 1940s, this new standard makes significant changes to the existing auditor's report, including: communication of critical audit matters, disclosure of auditor tenure, and a number of other requirements to clarify the auditor's role and responsibilities and enhance report readability. The Board's objective is to provide new information about the audit and to make the auditor's report more informative and relevant to investors and other financial statement users. This paper examines the potential economic impact of the new changes.

CREDIT UNIONS: THE NEGLECTED DEPOSITORY INSTITUTION

Thomas W. Secrest, Coastal Carolina University

ABSTRACT

The credit union industry fared much better than other depository institutions during the financial debacle that occurred over several years and started a decade ago. Of the 594 failed depository institutions from the period 2012 through 2016, only 79 (13.3 percent) were credit unions. The research is in the initial phases of exploring the structural and regulatory differences between the Credit Union industry and other depository institutions. It is intended to discover the reasons that these depository institutions, and the system of regulation under which they operate, are much more robust to financial adversity than their counterparts.

AM I REQUIRED TO DISCLOSE THIS? AN EXAMINATION OF A LITIGANT'S DUTY TO PRODUCE AN EXPERT'S PREVIOUS REPORTS AND TRANSCRIPTS IN FEDERAL LITIGATION

Diana Brown, Sam Houston State University

Jim Sqyres, Sam Houston State University

ABSTRACT

Even the most seemingly mundane commercial litigation cases often require an expert's testimony. Thus, the question faced by litigators is usually not whether an expert is needed, but rather, how many experts are needed in a given case and how early in the litigation process they should be retained. Just as important as retaining your own experts, and perhaps more so, is obtaining information from your opponent concerning the experts they have retained. This information is obtained through discovery, and in federal courts is controlled by Federal Rule of Civil Procedure 26. Presently, the federal courts do not uniformly interpret a litigant's obligations under FRCP 26. Because of the lack of uniformity and the conflicting opinions, Motions to Strike/Exclude Expert Testimony, heard under the Court's responsibility as a gatekeeper of information, are common, despite the federal courts' disdain for handling discovery disputes. Given the current difficulty reconciling the courts' differing opinions, estimating a party's chances of prevailing in discovery disputes is difficult at best. This article explores the differing interpretations of Rule 26 as it relates to courts' rulings on discovery disputes involving experts, particularly on disputes centered on requests for production of an expert's reports and testimony proffered in previous cases.

THE DISCLOSURE OBLIGATION IMPOSED BY FRCP 26(A)(2)

Rule 26(a)(2) sets forth the requirements of expert disclosures. The rule requires a party to disclose to the opposing parties the identity of any expert witness it may use at trial to present evidence. Additionally, under Rule 26(a)(2)(B), each expert must produce a report that contains:

- (i) a complete statement of all opinions the witness will express and the basis and reasons for them;
- (ii) the facts or data considered by the witness in forming them;
- (iii) any exhibits that will be used to summarize or support them;
- (iv) the witness's qualifications, including a list of all publications authored in the previous 10 years;
- (v) a list of all other cases in which, during the previous 4 years, the witness testified as an expert at trial or by deposition; and
- (vi) a statement of the compensation to be paid for the study and testimony in the case.

The rule, however, does not explicitly include any requirement for a party to produce the actual reports previously written and used other cases. Nor does it require the production of the transcripts of testimony given in earlier cases in which the expert provided testimony.

SOME COURTS CONSTRUE FRCP 26 NARROWLY AND HOLD THAT PRODUCTION IS NOT REQUIRED BY THE PLAIN TEXT FEDERAL RULES

Interpreting Rule 26, some federal courts have held that expert disclosure requirements do not extend beyond what Rule 26 requires, and have accordingly rejected requests for reports or testimony given by experts in prior cases. For example, in *Roberts v. Printup*, 02-2333-CM, 2007 WL 1201461 (D. Kan. Apr. 23, 2007), the plaintiff moved to exclude defendant's expert because defendant refused to provide the expert's testimony from a prior, unrelated case. *Id.* at *1. The court denied the motion, holding that as a matter of law, "Rule 26(a)(2)(B) does not require disclosure of the testimony an expert gave in a prior case." *Id.* See also, *In re Air Crash Disaster*, 720 F.Supp. 1442, 1444–45 (D.Colo.1988) ("[T]he limited scope of a Rule 26(b)(4)(A) inquiry into the background and experience of an expert witness does not include the production of every deposition or trial transcript given by the expert in any litigation."); *Trunk v. Midwest Rubber & Supply Co.*, 175 F.R.D. 664, 665 (D.Colo.1997) (holding that Rule 26 does not require an expert to produce reports from unrelated litigation).

Similarly, in *Cartier, Inc. v. Four Star Jewelry Creations, Inc.*, 01 CIV.11295(CBM), 2003 WL 22227959 (S.D.N.Y. Sept. 26, 2003), the court denied the plaintiff's request for the defendant's expert's past testimony, stating that "[t]he plain language of Rule 26 directs parties to provide a *list* of cases, not the *expert reports* relied upon in those cases." *Id.* at *3 (emphasis in original). Further, the court held that so long as the expert has complied with Rule 26(a)(2)(B)(v) listing prior cases, "defendants' obligation extends no further under Rule 26." *Id.*

SOME COURTS CONSTRUE FRCP 26 NARROWLY AND HOLD THAT PRODUCTION IS NOT REQUIRED WHEN THE MATERIALS ARE NOT RELEVANT

Some courts routinely decline to enforce requests for expert materials from prior cases, citing the relevance standard of Rule 26. Federal Rule of Civil Procedure 26(b) permits "discovery regarding any matter not privileged, which is relevant to the subject matter in the pending action." Discoverable information is not limited to admissible evidence, but includes anything "reasonably calculated to lead to the discovery of admissible evidence." F.R.C.P. 26(b); *Dunbar v. United States*, 502 F.2d 506, 509–10 (5th Cir.1974). Traditionally, at the discovery stage, relevancy is broadly construed. *Coughlin v. Lee*, 946 F.2d 1152, 1159 (5th Cir.1991). Evidence is relevant and thereby discoverable if it "encompass[es] any matter that bears on, or that reasonably could lead to other matter that could bear on, any issue that is or may be in the case." *Id.* (citing *Oppenheimer Fund, Inc. v. Sanders*, 437 U.S. 340, 351, 98 S.Ct. 2380, 57 L.Ed.2d 253 (1978)). However, "practical considerations dictate that the parties should not be permitted to roam in shadow zones of relevancy and to explore matter which does not presently appear germane on the theory that it

might conceivably become so.” *Munoz v. State Farm Lloyds*, No. 04-141, 2008 WL 4533932, at *2, (5th Cir. Oct. 9, 2008) (citing *Broadway & Ninety-Sixth St. Realty Co. v. Loew's Inc.*, 21 F.R.D. 347, 352 (S.D.N.Y.1958)).

These courts find requests for expert materials from prior cases to be violative of the relevance standard when such an objection is made. For example, in *Surles v. Air France*, 50 Fed. R. Serv. 3d 983 (S.D.N.Y. 2001), an employment discrimination suit, the defendant’s expert voluntarily produced reports from past matters in which he opined on the standards for employment discrimination. *Id.* at *6. The court, however, rejected the plaintiff’s request for past reports from the defendant’s expert in cases involving unrelated subjects (such as wrongful death or breach of contract), holding that Rule 26 “does not mandate the disclosure of any additional reports that the expert may have prepared,” especially “reports in prior unrelated actions.” *Id.* at 7. See also *Cartier, Inc.*, 2003 WL 22227959 at *3 (denying motion to compel the production of prior, unrelated expert reports in order to eliminate the threat of introducing evidence that is only “tangentially related” to the primary legal questions in the case); *In re Air Crash Disaster at Stapleton Int’l Airport, Denver, Colo.*, 720 F. Supp. 1442, 1443 (D. Colo. 1988) (denying motion to compel prior expert reports of plaintiff’s expert because “[d]efendants’ request for all of a deponent’s past testimony as an expert in all types of aircraft litigation is simply overbroad and beyond the scope of Rule 26,” and would only serve to distract from the core issue of “weather-effected air crashes similar to the case at hand”).

**SOME COURTS ALLOW FOR THE DISCOVERY OF PRIOR EXPERT REPORTS
AND TRANSCRIPTS WHEN THE EXPERT HAS OPINED ON THE SAME OR
EXTREMELY SIMILAR SUBJECTS OR WHEN THE NONMOVING PARTY DID NOT
CONTEST RELEVANCE**

In *S.E.C. v. Huff*, 08-60315-CIV, 2010 WL 228000 (S.D. Fla. Jan. 13, 2010), the court ordered the production of the defendant’s damages expert’s prior testimony because the movant had successfully shown that the same expert had opined on the *same evidence* in a prior case and had come to a different conclusion. *Id.* at *2 (emphasis added). The procedural posture was unusual in this case. Rather than filing a Motion to compel, the government argued during motions *in limine* that defendant’s expert’s testimony should be excluded because of the expert’s failure to produce expert materials from other cases which he was requested to produce by a *subpoena duces tecum*. Neither the expert nor counsel for the defendant filed a timely Motion for Protective Order in response to the subpoena. Thus, the court found that any objections that might have been available had been waived by the failure to file an appropriate motion relieving the expert of his obligation to comply with the subpoena. The court went on to hold that the requested materials (“[a]ll documents reflecting sworn testimony given by [the expert] in the last four years”) were reasonably calculated to lead to admissible evidence in that, at the very least, the materials constituted possible impeachment evidence. *Id.* at *5. The court, however, refused to exclude the witness’ testimony, reasoning that the proper avenue of complaining about the failure to produce requested documents was a Motion to Compel, pursuant to which exclusion of evidence is not a remedy.

In *Jenks v. N.H. Motor Speedway, Inc.*, No. 09-cv-205-JD, 2011 WL 4625705 (D.N.H. Oct. 3, 2011), the plaintiff's expert opined on the sufficiency of warnings on golf carts, and upon motion by the defendant, the court ordered the production of the expert's prior reports from two matters in which he had opined on the sufficiency of warnings on ATVs (which are similar, four-wheeled, open-air vehicles). *Id.* at *1, *3. The plaintiff made the frivolous assertion that the reports served in prior litigation were privileged because the expert's previous clients had not authorized the disclosure of the reports, which the court rejected. *Id.* at 4-5.

SOME COURTS ALLOW FOR THE DISCOVERY FOR IMPEACHMENT PURPOSES

Some courts have allowed the discovery of prior expert reports and transcripts where the moving party has presented evidence that the prior materials demonstrated the experts' inconsistency or bias. In *S.E.C. v. Huff*, 2010 WL 228000 at *5, the court granted a motion to compel the production of an expert's past reports in part because the expert's prior report, considering the same accounting records, had reported a significantly different result.

Other courts considering these requests have held that parties cannot request prior expert reports and transcripts for impeachment purposes as a way to circumvent the relevance requirements of Rule 26. See, e.g., *Cartier, Inc.*, 2003 WL 22227959 at *3 ("Rule 26 does not tolerate discovery requests based on pure speculation or conjecture") (internal quotation marks omitted); *In re Air Crash Disaster*, 720 F. Supp. at 1444 (holding that the "discovery of material relevant to the impeachment of an expert envisioned by courts construing Rule 26(b) is limited to materials possessed by an expert and related to the case at hand" and noting that rule 26 "was designed to prevent abusive, costly 'fishing expeditions' into the background of a testifying expert").

SOME COURTS CONSTRUE FRCP 26 BROADLY AND REQUIRE PRODUCTION

Some courts have required parties to produce deposition testimony and opinions of an expert given in other cases to assess the consistency of the expert's opinions and methodologies. See, e.g., *Duplantier v. Bisso Marine Co., Inc.*, 2011 WL 2600995, at 3 (E.D. La. June 30, 2011) (requiring production of expert reports for the previous five years in which a specific wage loss calculation was utilized).¹ Similarly, in *Expeditors Int'l of Washington, Inc. v. Vastera, Inc.*, 2004 WL 406999, at *2 (N.D.Ill. Feb. 26, 2004), the court, considering an action for trade secret misappropriation based on the damages opinion proffered by an expert, noted as an initial matter that a subpoena *duces tecum* issued pursuant to Rule 45 is an appropriate discovery mechanism against nonparties such as a party's expert witness. Fed.R.Civ.P. 34(c). *Id.* at *3. In this case, though, as in *Duplantier v. Bisso Marine Co.*, discussed *supra*, the expert failed to make timely objections to the production requests, failed to timely seek a protective order if one was needed, and ignored the response date of the subpoena. *Id.* The court ultimately held that the defendant

¹ As discussed above, however, it appears that no proper objection was lodged to the discovery request in that case.

was “entitled to explore the purported factual and legal bases of [plaintiff’s] damages opinions as well as potential inconsistencies between the views he intends to express in the underlying case and the testimony and opinions he has given, and the damages theories and methodologies he had adopted” in his prior cases. *Id.* Accordingly, the expert was ordered to produce all documents responsive to the following requests:

All transcripts of the deposition testimony, trial testimony, and/or expert reports of [the expert], in any matter involving allegations of trade secret misappropriation during the past ten years.

All transcripts of the deposition testimony, trial testimony, and/or expert reports of [the expert], in any matter involving allegations of patent infringement during the past five years.

Id.

At least one court has denied a protective order and allowed discovery, reasoning that the discovery is probative of the expert’s qualifications. [*United States Surgical Corp. v. Orris, Inc.*, 983 F.Supp. 963, 967–968 \(D.Kan.1997\)](#). The court explained

Plaintiff relies on Ms. Reichert's opinions in its motion for partial summary judgment. Thus, her experience as a consultant is directly relevant to her qualifications as an expert. By relying on her consulting experience as the basis for her expertise, plaintiff and Ms. Reichert bring her consulting experience into issue and they cannot now be heard to object to discovery of such experience on the basis of confidentiality.

CONCLUSION

The federal courts differ greatly in their interpretations of Federal Rule of Civil Procedure 26. This difference in interpretation and application of Federal Rule of Civil Procedure 26 has led to uncertainty in litigation and a proliferation of discovery disputes. This uncertainty has also led to increased litigation expense, as savvy litigators now find themselves obligated to comb through voluminous testimony and reports provided by their experts in previous matters as part of their expert-vetting process.

When a party fails to comply with FRCP 26(a), FRCP 37(c)(1) provides for a variety of sanctions, the harshest of which is possible exclusion and a ban of the expert witness’ testimony. For now, it is clear that any decision is highly dependent upon the particular facts and circumstances of the case.

REFERENCES

- Federal Rule of Civil Procedure Rule 26, 34, 37
Broadway & Ninety-Sixth St. Realty Co. v. Loew's Inc., 21 F.R.D. 347, 352 (S.D.N.Y.1958)
Cartier, Inc. v. Four Star Jewelry Creations, Inc., 01 CIV.11295(CBM), 2003 WL 22227959 (S.D.N.Y. Sept. 26, 2003)
Coughlin v. Lee, 946 F.2d 1152, 1159 (5th Cir.1991)
Dunbar v. United States, 502 F.2d 506, 509–10 (5th Cir.1974)
Duplantier v. Bisso Marine Co., Inc., 2011 WL 2600995, at *2–*3 (E.D. La. June 30, 2011)
Expeditors Int'l of Washington, Inc. v. Vastera, Inc., 2004 WL 406999, at *2 (N.D.Ill. Feb. 26, 2004)

In re Air Crash Disaster at Stapleton Int'l Airport, Denver, Colo., 720 F. Supp. 1442, 1443 (D. Colo. 1988)
Jenks v. N.H. Motor Speedway, Inc., No. 09-cv-205-JD, 2011 WL 4625705 (D.N.H. Oct. 3, 2011)
Munoz v. State Farm Lloyds, No. 04-141, 2008 WL 4533932, at *2, (5th Cir. Oct. 9, 2008)
Oppenheimer Fund, Inc. v. Sanders, 437 U.S. 340, 351, 98 S.Ct. 2380, 57 L.Ed.2d 253 (1978)
Roberts v. Printup, 02-2333-CM, 2007 WL 1201461 (D. Kan. Apr. 23, 2007)
S.E.C. v. Huff, 08-60315-CIV, 2010 WL 228000 (S.D. Fla. Jan. 13, 2010)
Trunk v. Midwest Rubber & Supply Co., 175 F.R.D. 664 (D. Colo. 1997)
[*United States Surgical Corp. v. Orris, Inc.*, 983 F.Supp. 963, 967–968 \(D.Kan.1997\)](#)

ASSESSING PERCEIVED DIGITAL LITERACY AMONG MILLENNIALS AND GENERATION Z COMPUTING MAJORS

Linda Jo Calloway, Pace University

Susanne O'Callaghan, Pace University

John Walker, Queens College/CUNY

Catherine Dwyer, Pace University

Raymond Elson, Valdosta State University

ABSTRACT

Digital literacy is critical to the success of both Computer Science and Information Systems majors in the 21st century. Millennials and Generation Z computing majors must be prepared to thrive in today's online environment regardless of their computing major. We used a 10 item survey based on Renee Hobbs' various digital frameworks to measure differences in perceived digital literacy between Computer Science and Information Systems undergraduates and between different demographics among computing students in a large urban university. The more interesting findings, however, were not the differences, but the remarkable similarities among these different computing majors on all but one of the Hobbs' digital literature measures: we found that computer science students consider themselves significantly more positive in their ability to use the Internet to connect with others than are information systems students. In addition, there were two significant demographic differences among our subjects. Native English speaking students are significantly better able to examine the quality and credibility of content of messages and to understand the meaning of copyright compared to their non-native English speaking counterparts. Finally, Generation Z computing majors, those subjects under 25 years of age, were better able to collaborate in order to solve problems in the civic sphere than those subjects older than 25 years of age, who are usually referred to as Millennials. We suggest appropriate curriculum changes to address these issues, based on our analysis of these results and their possible causes.

MINIMIZING TURNOVER INTENTION: CAN ENGAGED LEADERS INFLUENCE OUTCOMES?

Gary A. Covella, Austin Peay State University
Belal A. Kaifi, Trident University International
Vikkie McCarthy, Austin Peay State University
Daniel J. Corcoran, Trident University International

Acknowledgements: The authors would like to acknowledge Amy B. Hietapelto, Ph.D., Dean of Labovitz School of Business & Economics, University of Minnesota for her review of this article.

ABSTRACT

Retaining skilled employees in the workplace presents a challenging issue to all firms. Organizations can spend a great amount of money on skills training, only to lose that employee to work for the competition. This study fills in gaps in research concerning the role of social exchange in long-term employee decisions leading to either remaining or departing the organization. Using a framework of social exchange theory (SET) to demonstrate the outcome of a leadership-employee centered model, this study demonstrated the vital role that the relationship between employee and leaders play in influencing an employee's future career decisions. Leader-member exchange (LMX) was proposed to have a mediating effect on this model. Survey research of 402 fulltime employees recruited through Amazon MTurk from a diverse selection of industries was used to explore these relationships. The survey instrument included measures of person-job fit, turnover intention and employee work engagement factors such as vigor, dedication, and absorption. This study contributes to literature regarding P-J fit, LMX, and employee work engagement empirically tested within a single framework. Results confirm that person-job fit has an inverse relationship to turnover intention and mediated through LMX and employee work engagement.

Keywords – person-job fit, employee work engagement, leader-member exchange

SCHEDULING – SOMETHING INTERESTING HAPPENED ON THE WAY TO UNDERSTANDING MANUFACTURING COMPLEXITY

**T. J. Gabriel, University of North Georgia
Lawrence D. Fredendall, Clemson University**

ABSTRACT

Manufacturing systems, according to the general definitions of complexity, are indeed complex. They have many parts and the relationships of these parts are not “simple”. In the review of literature, several potential items that may instigate or add to the complexity in manufacturing system were have been identified in theory, but little has been done to confirm these notions in practice. In order to understand elements of manufacturing operations that contribute to complexity to form a basis for future research, a Delphi study was performed. This method was selected because it provides a way to have an iterative group process that leads to consensus. Practitioner experts from of broad range on industries and in varying operations functions participated in a five round study.

In the progression of the clarification rounds, several experts contended that production scheduling increases the complexity within the manufacturing operations. This seems contrary to what we feel is part of the purposes of production scheduling. The fifth round was added to specifically explore this notion. In the end, the majority of our experts supported the notion that manufacturing scheduling causes complexity. This research presents the study results and examines reasons for the expert’s opinions about scheduling.

INTRODUCTION

A study was undertaken to understand to more clearly understand the internal facets of a manufacturing operation that potential add complexity to the system. A Delphi study was conducted using a panel of practitioners to identify sources of complexity. In the course of attaining consensus regarding these potential sources, scheduling emerged as one such factor increasing complexity. This surprised the researcher because scheduling is a methods of organizing production in the short-term that should reduce complexity. Being such, an additional round of questions was posed to the panel of experts to root out if scheduling can increase complexity and why. This paper reports the methodology and findings of this aspect of the study.

BACKGROUND

Simon (1962) defined complexity as systems that have large number of parts, whose relationships are not simple. Pippenger (1978) supports this by when he stated that a system with

simple parts may be complex if the relationships are not simple. Based on these definitions a manufacturing operation (system) is complex because it has many elements (for example, equipment, workers, and products) that interact in non-simple relationships. Potential elements, or sources, that are possible contributors to manufacturing complexity for past literature have been enumerated by Gabriel (2012). The research effort that lead to this interesting finding was initiated to identify potential causes of manufacturing system complexity from expert practitioners.

METHODOLOGY

The Delphi Technique

A Delphi method was used because in this study where the issues cannot be directly analyzed (Meredith et al, 1989) due to the very nature of complexity. Consensus is achieved through an iterative group process that leads to consensus regarding a topic or situation that is not well-defined (Patton, 1986; Linstone and Turoff, 1975). Yet, it is still a structured, scientific method for studying the opinions from a group of experts.

Selecting participants is important to the success and validity of the study. The experts for this study were operations managers, plant managers, manufacturing managers, industrial engineers, quality managers and production planners working in a cross section of industries selected to assure comprehensive coverage of the concepts of internal manufacturing complexity. Two lists of potential experts were used in order to reduce bias. An email list of graduates who took employment in manufacturing was obtained from the MBA office of southeastern university. The second group of individuals was garnered through prior business relationships with the researchers or membership in organizations having manufacturing professionals. Of the 146 contacted, 81 agreed to participate in the study. There was sufficient diversity in the participants' education, job function, and experience as well as substantial differences in plant size and manufacturing process type. The job functions of those who participated support that they can be considered experts.

The Delphi study was conducted entirely using the internet via e mail. The questions in each round were posted on a non-public webpage in which the only way to access the page was with a coded link to that page provided in the e-mail. All responses were anonymous.

In round one, 22 sources of manufacturing complexity were suggested by the experts. The researchers performed content analysis to interpret the expert's feedback and develop definitions for each of these. Scheduling appeared as a possible source of manufacturing complexity. Round 2 was used to refine the definitions. Rounds 3 and 4 were consensus rounds try to reduce and rank these sources of complexity. Round 5 was used as the final consensus round to rank the to 11 potential complexity sources.

Throughout these rounds scheduling remained near the top of the list. To understand or alleviate the conundrum about scheduling as a source of complexity from Round 3, the Round 4 questionnaire asked participants to explain why scheduling causes or increases manufacturing complexity. In the final round, the experts were provided the summary of responses from Round 4 regarding scheduling and the experts were then asked to respond the following items.

1. *To what extent to you agree or disagree with the statement: ‘Scheduling itself is complex.’*
2. *Please select one of the following statements regarding scheduling.*
 - A. *The quality of the schedule (production schedule) DOES affect complexity and also affects performance.*
 - B. *The quality of the schedule (production schedule) DOES NOT affect complexity but DOES affect performance.*
3. *Another view of scheduling is that scheduling’s purpose is to allocate resources to meet customer service objectives at the lowest possible costs. So, scheduling affects plant performance, but neither increases nor decreases manufacturing complexity. To what extent do you agree or disagree with the above statements?*
4. *Rescheduling is defined as changing the manufacturing order due dates or priorities after the manufacturing order has been released to the shop. Rescheduling is in response to a work flow disruption such as material shortage, scrap, or a customer order change.*

Select the statement below which you feel is most accurate.

- A. *Rescheduling and scheduling are the same activity. Neither changes the level of internal manufacturing complexity. Both allocate resources to meet customer service objectives at the lowest possible costs. Rescheduling reallocates resources once an order is released to the shop. Scheduling allocates resources prior to the order release.*
 - B. *Rescheduling increases complexity. Rescheduling may create workflow disruptions as order processing is interrupted.*
5. *To what extent do you agree or disagree with the following statement:
Scheduling does not change the level of internal manufacturing complexity.*
 6. *Based on the thoughts presented in the previous page, would you like to rerank scheduling?*

RESULTS

At the end of Round 2, the content analysis resulted in the following definition for scheduling. *Scheduling is the advance planning of capacity consumption at each work center, workstation or machine. A poor quality schedule increases shop floor complexity, by affecting material handling, capacity scheduling and workflow management of limited resources (e.g., bottlenecks), which have to be allocated to multiple needs to meet due dates.*

At this point 51% of the participants selected scheduling as a source of complexity. At the end of Round 3, after having reduced the list of relevant sources of complexity to 15, scheduling earned 57% of expert’s votes as to sources of complexity. The Round 4 questionnaire asked participants to explain why scheduling causes or increases manufacturing complexity. The content analysis showing why scheduling contributes to complexity is given in Table 1. This table indicates that there was still no consensus about the relationship of scheduling to complexity – the three viewpoints remained unchanged. Nine of the respondents felt that scheduling is itself complex. Nineteen of the 42 respondents felt that poor scheduling created complexity. Six stated that

scheduling can reduce complexity, with three indicated that scheduling itself does not contribute to complexity.

In Round 5 the experts were also given feedback about the experts' opinions about scheduling. The two statements below were developed from a content analysis of phase 4 comments:

1. *The quality of a schedule affects complexity, e.g., a poor schedule increases internal manufacturing complexity or a good schedule reduces complexity.*
2. *Scheduling itself is complex, but it does not increase internal manufacturing complexity.*

The experts were allowed to look at all the comments reported by the Delphi experts that had been summarized into these two comments. Then the participants responded to the additional six question listed previously in the methodology section.

Table 1 Content Analysis of Scheduling as a Source of Complexity

Responses	Content Analysis	Representative Comment
9	The scheduling process itself is complex	Scheduling is difficult when you make your 200 products
19	Incorrect or poor schedules create complexity	Scheduling issues increase manufacturing complexity as different products may require specific tooling, etc...and if not scheduled properly, the changeover time required from product to product can severely disrupt the flow of business
2	Scheduling is a tool to reduce complexity	Scheduling and leveling of mix and amount can be used as a tool to reduce the overall complexity
6	Scheduling has an important impact on performance measures	Scheduling has a direct impact on the efficiency with which an operation runs. It drives inventors of raw materials and finished goods.
3	Scheduling response to environmental change or resource limits creates complexity	Changing requirements from customers
3	Scheduling itself does not contribute to complexity	The products and processes create complexity. Scheduling only drives when the complexity or inefficiency occurs

The responses to the first item revealed that 50% of the responded strongly disagreed (rating 6 on 7-point scale) while 25% strongly agreed (rating 2 out of 7). For the second item, over 75% of the experts (29 of 38) selected the statement "The quality of the schedule DOES affect complexity and also affects performance." There was no consensus with regards to the third question. For the fourth item, 32 or 38 responses favored the statement "Rescheduling increases

complexity.” Lastly, 29 experts disagreed with the statement that scheduling does not affect manufacturing complexity. Of the 29, 23 strongly disagreed – 13 rating item a 6 and the remaining 10 rating item a 7 on a 7-point scale. Based on these, there seems to be a strong feeling in the group of experts that scheduling affect manufacturing complexity.

The experts comments about scheduling provide some insights into how scheduling affects performance. Ten of the 11 comments about item 2 addressed how scheduling affects complexity. The content analysis of these comments suggests that certain product characteristics such as perishability and similarity between product varieties require accurate schedules which bundle like products to reduce setup costs. A second issue is that lean processes simplify scheduling and reduces the impact of scheduling on complexity, but a lean process requires careful product and process design. There were only five comments for question 3, and these were similar to those for question 2. Simpler processes reduce errors and the need for rescheduling. Changes to the schedule create errors, which creates complexity. Seven of the 10 comments for question 4 argued that rescheduling increases complexity. But again this complexity is reduced if lean production processes are in place. The three experts who said rescheduling does not change manufacturing complexity stated that this was true when resources could be reallocated easily and systems are in place to quickly reallocate resources. There was only one comment to question 5. This person stated that scheduling is very strongly tied to complexity, but this is mitigated when processes are flexible.

There was one additional comment concerned the complexity definitions. The expert pointed out that product variety, nonstandard product design, and product design all have the same effect on the system. All three of these increase the number of elements in the system, which increases the potential for defects. This suggests that three of the top four sources of complexity all create complexity by adding more product-related elements into the manufacturing system and consequently represent the same fundamental source of complexity.

CONCLUSION

During the Delphi process the issue of scheduling aiding or causing complexity emerged and was further investigated. Multiple attempts were made to achieve consensus about scheduling, but it is not clear what the consensus achieved really means. The majority of our experts supported the notion that manufacturing scheduling causes complexity. Complexity is closely tied to unpredictability Casti (1979). Yet, manufacturing scheduling is meant to meet a planned outcome – a due date – meaning it is attempting to achieve some predictability. Having a production schedule is an attempt to utilize the limited available capacity with a partial objective of being more productive than not having a schedule. So these incongruous results recommend further investigation into the underlying issues that practicing schedulers face.

REFERENCES

- Casti, J. L. (1979), *Connectivity, Complexity, and Catastrophe in Large-Scale Systems*. Wiley, New York, NY.
- Gabriel, T. J. (2013), Manufacturing Complexity: The Effects of Common Attributes of Manufacturing System Design on Performance. *Academy of Information and Management Sciences Journal*, 16, 1, 75-97

- Linstone, H. A. and M. Turoff (1975). "Introduction", in Linstone, H. A. and M. Turoff, *The Delphi Method: Techniques and Applications*. Addison-Wesley, Reading, MA, 1-16.
- Meredith, J.R., Raturi, A., Amoako-Gyampah, K., and Kaplan, B. (1989), Alternative research paradigms in operations. *Journal of Operations Management*, 8 (4), 297–326.
- Patton, M.Q. (1986), *Utilization-Focused Evaluation*, Sage, Newbury Park, CA.
- Pippenger, N. (1978), Complexity Theory. *Scientific American*, 238 (6), 114-125.
- Simon, H. (1962), The Architecture of Complexity. *Proceedings of the American Philosophical Society*. 106 (6), 467-482.

EXPLAINING THE USE OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE INDICATORS

Jeffrey J. Jewell, Lipscomb University
Jeffrey A. Mankin, Lipscomb University
Julio A. Rivas, Lipscomb University

ABSTRACT

In recent years, the disclosure of non-GAAP measures and "Key Performance Indicators" has been a topic of wide conversation in the financial press and a topic of some concern to the Securities and Exchange Commission (SEC). The SEC updated its guidance on the use of Non-GAAP measures in May 2016. There is widespread speculation that it will update its guidance on Key Performance Indicators in the near future. This paper will discuss the reasons for the increasing use of these measures and the implications of their use for investors and other users of financial statements.

THE EFFECTIVENESS OF COLLEGE FOOTBALL RECRUITING RATINGS IN PREDICTING TEAM SUCCESS: A LONGITUDINAL STUDY

Jeffrey A. Mankin, Lipscomb University

Julio A. Rivas, Lipscomb University

Jeffrey J. Jewell, Lipscomb University

ABSTRACT

American college football is a multibillion dollar industry for the 128 schools that play at the highest level. College football is unique in that it must recruit student athletes unlike high school or pro football. An entire multimillion dollar industry has developed to provide recruiting ratings and team-specific information for rapid fans. The question in this study is “Do recruiting rankings matter?” This study uses the 247Sports class ratings and team ratings to predict the future success of teams. The Sagarin final ratings are used as a proxy for team success. The results indicate that knowing recruiting rankings explains up to 0.48 of the variability of the Sagarin ratings.

STUDENT LOANS: STRESS ON BOTH BORROWERS AND LENDERS

Richard Powell, Pepperdine University
Steven Ferraro, Pepperdine University

ABSTRACT

The student loan industry in the United States has grown in recent years. The U.S. Government Accountability Office (GAO) has reported that the government had outstanding student loans totaling \$1.26 trillion dollars as of 2016. This large total for student loans can stress student borrowers who may struggle to make the required payments, especially if they lack adequate income during their younger years or during recessions. The loans can also stress the government as it tries to manage the loan portfolio so that the program avoids losses while at the same time the loans do not inflict undue hardship on student borrowers. In addition to the student loans from government to students, there is also a market for student loans from businesses and universities to students.

The field of business law comes into play. The student loans are subject to contract law. These contracts operate in an intense regulatory environment. Although the loans trigger contractual obligations at inception, the industry bristles with regulations and special programs that can modify the basic contractual obligations. For example, the government has programs to modify borrowers' monthly payments to a share of their earnings. There are programs that can eventually forgive portions of the debt. Bankruptcy law is also important in this student loan industry. Although the bankruptcy code generally provides for non-dischargeability of student debt, the bankruptcy code also allows for discharge if the court determines there is undue hardship for the borrower. Borrowers can also qualify for relief with specified employment in the nonprofit sector or in underserved professional positions. There are also some technical issues that can lead to debt relief. The creditor might be unable to prove ownership of the debt.

The purpose of this paper is to analyze the complex student loan industry and explain how some particular programs can modify the original student loan contract. Programs that provide substantial relief for debtors can simultaneously stress the government creditor. Provisions that help the government creditor collect on loans can simultaneously stress the student debtor. An overall understanding of the industry can help borrowers understand their options and can also help the government understand how to maintain financial responsibility on student loans. In addition, the lending businesses and universities must understand their roles in this system.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/DfNd3ISxXlQ>

Thomas R. Ulrich, Regent University

ABSTRACT

A new metaphor for understanding organizations was proposed. Furthermore, the notion of metaphor was described as more than merely a figure of speech; in fact, it was argued that metaphor aligns with the human brain's tendency to use comparative processes. Accordingly, the metaphor of organization as viscous fluid was proposed as a means to further our understanding of both modern organizations and the complexities that they inevitably involve. As groundwork for explaining the operation of the metaphor, salient features of viscous fluid flow were described in detail. Ultimately, exploration of the metaphor suggested seven findings. First, an organization's environment may play a larger role in the nature of the organization than previously recognized. Second, an analysis of the environment may be the salient factor in determining the optimum configuration of the organization. Third, the critical nature of the environment may drive all organizations within the same environment toward the same basic configuration. Fourth, harmony and its opposite, chronic conflict, may play a larger role in affecting the organization's overall performance than previously appreciated. Fifth, the complexity inherent in modern organizations suggests that organizational scholars (a) abandon the position of all-knowing-hero and instead embrace an appropriate humility, and (b) remain open to developing a family of theories in lieu of a single grand-unified theory. Sixth, organizational speed was proposed as more salient than organizational age regarding advancing through Greiner's life-cycle model. Additionally, by controlling chronic conflict, the crises predicted by Greiner may be delayed or even avoided. Seventh, the nature of turbulent flow adds to our understanding of conflict by calling attention to the notion of a turbulent trip, suggesting that employees who tend to create turbulence not be tolerated. Of these seven findings, the call for organizational leadership to no longer tolerate chronic organizational conflict stands as most salient. Additionally, based on these implications, an equation of employee value was proposed:

$$V_e = I_c + I_{oo},$$

where

V_e = Value of the employee

I_c = Individual contribution, which may be positive or negative

I_{oo} = Impact on others, which may be positive or negative

YOU'RE DOING IT WRONG: AN ANALYSIS OF STRUCTURED STUDENT FEEDBACK IN ONLINE CLASSES AND ITS IMPACT ON STUDENT PERFORMANCE

Alan Belcher, Ashford University
Bradford Frazier, Belmont Abbey College

ABSTRACT

Offering feedback for a seated class is a common practice and one that most faculty give little thought. However, online classes create a unique scenario where it is sometimes difficult and always time consuming to give electronic feedback to every student and every assignment or discussion. This study reviewed the performance of students taking online classes at a large, online university. The faculty were required to provide detailed feedback for all assignments. The data were examined to determine if this feedback actually improved student grades. The findings of this study will be of interest to online learning faculty, deans, and administrators.

WHY SHOULD INDIVIDUALS PRESENT AT THE INSTITUTE FOR GLOBAL BUSINESS RESEARCH

Shawn M Carraher, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

In this paper we take a look at the AACSB and publication standards and discuss why it is important to present at conferences like the Institute for Global Business Research.

CULTURAL IMPACTS ON OFF-CAMPUS TEACHER TRAINING PROGRAMS ON TEACHER CANDIDATE AND COMMUNITY

Peter Cowden, Niagara University-Ontario

ABSTRACT

This paper examines the cultural impacts on off-campus school based teacher-training programs. These programs offer teacher candidates to be cognitive, psychosocial, physical and emotional ready to be engaged in a real world understanding of the culture of a school. This includes the inclusive nature of the school culture for off-campus school-based programs. Analysis of teacher candidates witnessing and modeling the on-site accommodations for students with disabilities is also reported. The study concludes that in order for teacher candidates to feel the heartbeat of the local school, one must be cultured into a local school. In addition, teacher candidates must have a close and direct observation within the school culture to experience first-hand knowledge, which cannot be learned from a textbook. Furthermore, off campus teacher-training programs encourage the teacher candidates to celebrate the demographics of a school. In summary, the cultural impacts help change attitude, clear bias, remove barriers and therefore create a holistic approach in modifying and adapting appropriate instructional strategies to each individual students through multiple ways of delivery mode.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/Ga4VGCLFIS4>

A PERSPECTIVE ON AN OFF-CAMPUS SCHOOL-BASED UNIVERSITY TEACHERS PREPARATION PROGRAM

Peter Cowden, Niagara University-Ontario

ABSTRACT

As university business practices move toward international or global extensions, more and more colleges and universities are considering locating their teacher training programs in off-campus school-based locations. In this positional paper, the author examined the pedagogical effectiveness of off-campus school based teacher education programs. Results suggested that off campus programs school based provide teacher candidates real life, real time opportunities to experience the everyday routine of a neighborhood school, community and students. Benefits include (1) Teacher candidates can benefit from the unofficial curriculum that can make learning meaningful.; (2) Teacher candidates are able to learn multiple perspective of a professional and working school; and (3) Mature teacher candidates are given the opportunity to enroll and complete the teacher training program given the flexibility of school based location and schedule. The author posited that off campus teacher-training programs might be more superior to on-campus programs. This paper intends to create a future platform to examine off-campus school based teacher training and its cultural impact on students and the community.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/YvqXCKVCFL0>

IF YOU WANT TO LEARN TO PLAY GOLF, DON'T GET ON THE GREEN! STRATEGIC BUSINESS LEADER DEVELOPMENT LESSONS AFFORDED AT THE DRIVING RANGE

Kelli L. Fellows, Pfeiffer University
Bradford R. Frazier, Belmont Abbey College

ABSTRACT

Business schools across the country are incorporating golf as a pedagogical strategy to optimize educational outcomes. From high school business leader development to MBA programs, golf presents a spectrum of learning opportunities to fuel future business success. However, golf as a magical panacea may masque inherent performance differences experienced on the driving range versus the golf-course. Through starting with the end goal in mind, strategic development of a concurrent golf – business – leadership program may optimize learning outcomes. The key is starting with the foundation – start at the driving range. Concurrently, recognizing optimal performance on the driving range may not predict effective performance on the course. This paper explores the analogous relationship of golf – on the driving range and the course – with theory and practice – the academic experience compared with the actual business/job experience. Four key themes emerge: (1) the driving range is a safe practice space; (2) don't keep score; (3) focus on fundamentals rather than strategy; (4) no obstacles in the controlled driving range environment. These themes readily apply to the challenges and opportunities associated with academic training and organizational work experience. While experience on both the driving range and golf-course are integral to performance improvement, they provide no guarantee of success.

SPERRYMAN FAMILY SERVICES (B): DISCOVERING AND DEALING WITH MISAPPROPRIATION OF FUNDS

Patricia A. Lapoint, McMurry University
Carrol R. Haggard, Fort Hays State University

CASE DESCRIPTION

The primary subject matter of this case concerns business ethics. Secondary issues are nonprofit management and auditing. This case can be used in business ethics, nonprofit management or auditing courses. The case has a difficulty level of three. The case is designed to be taught in two class hours and is expected to require four hours of outside preparation by students.

CASE SYNOPSIS

Following a period of sustained growth, due to the recent downturn in the economy and a reduction in governmental funding, Sperryman Family Services (SFS) was experiencing some financial difficulties. As a result, many of the full-time employees were reduced to part-time status, and almost all of the part-time positions were eliminated. However, founded on the Midwestern value of “neighbor helping neighbor,” one of the greatest consistent strengths of the Center over the years has been its strong base of dependable volunteers. Volunteers were recruited to do administrative work formerly done by paid staff. One of the areas most affected by the reduction in staff was accounts management. The Finance Director was one of those who lost her position. The day-to-day operational duties are being fulfilled by volunteers while oversight of the department is provided by Jacquelyn Randolph, Executive Director of SFS.

One month before their 3 year audit, Jacquelyn discovered some financial irregularities. Attention was drawn to the accounts management department when Jacquelyn received a call from a vendor inquiring about payment of their account. While Jacquelyn discovered that the problem was caused by a volunteer who had misplaced a check in a desk drawer, it did raise doubts in Jacquelyn’s mind as to what other ‘mistakes’ might be occurring. Consequently, Jacquelyn did a quick review of last month’s bank statement and found 2 instances where checks had been written without an accompanying purchase order. Fearing that her discovery might reflect only part of a larger problem, Jacquelyn notified the Board President and the Board of the issue. Following a test for control for the last 2 months, Jacquelyn found that the control procedures were adequate, the issue was in supervision of the accounts management department. The external auditing firm confirmed Jacquelyn’s worst fears as they discovered that funds had been diverted from adult programming to children’s services programming. Cash donations had been diverted from the adult to the children’s program. The central question of the case, is what should be done to restore faith in the organization? Does Jacquelyn “go public” with the misappropriation OR since no donated funds were actually missing, try to quietly deal with the matter?

SOCIAL ROBOTS, INC.

©Prasad Padmanabhan, St. Mary's University

CASE DESCRIPTION

The case deals with the topic of currency hedging and can be used in a basic course in International Finance at the undergraduate or graduate level. Before assigning this case, it is assumed that the following topics have been covered in class: basic exchange rate concepts and terminology, basic international derivative instruments (forward markets, put and call options), and the concept of money market hedges. The level of difficulty can be adjusted to suit the needs of the instructor and the availability of class time to cover these topics (described below under case description). Ideally, the complete case can be assigned as a homework project and can be covered in one 90 minute of class time. Students have indicated that they have spent approximately 4 hours preparing the case in a group.

CASE SYNOPSIS

A US based firm was buying robots from a US based supplier but now is faced with a problem when the supplier decides to raise prices. The CEO has to decide between alternate suppliers in China and South Korea. Unfortunately, this involves dealing with exchange rates and creates exchange risk. A late entry from another US supplier creates a third opportunity for purchase. Students are required to consider different hedging alternatives (forward markets, money market hedges, and options. Payment is also made at different intervals. Students are required to select the best method by maturity and evaluate costs against another proposal by a US based supplier. Opportunity is provided for exploring whether “upfront” payment is better if a discount is offered as well as whether changes in the cost of capital influence hedging choices. Instructors can also assign this case using piecemeal hedging choices, thereby varying the level of difficulty of the case. Finally, they can easily convert this importing problem into an exporting one.

Students are exposed to a real world type dilemma when they compute exchange exposures in different currencies and learn about the different methods of currency hedging (forward market hedge, options market hedge, money market hedge). They will also realize that they should seek the best method by maturity since it maybe that the forward works best for 60 days but the options prove better for 180 days. Since both puts and calls information is provided, the student is allowed to decide which instrument is more appropriate in this case. Similarly, they also get to decide if a bid or an ask quote is relevant, or, for the money market hedge, whether they should consider borrowing or lending. They can also learn more about options – some options seem feasible but on closer examination, have already expired and cannot be used in this instance. Finally, students get to explore other aspects of the case, such as, quality considerations, insurance cost when in transit, after sales service, etc. Students can also be exposed to international negotiations. Can they pit one exporter against another?

BEYOND SHARING KNOWLEDGE: INFLUENCES OF RELATEDNESS AND PROFESSOR PERSONALITY

Michael W. Pass, Sam Houston State University

ABSTRACT

This presentation focuses on student perceptions of professors' personalities and student perceptions of relatedness to professors. Relatedness is the extent with which someone feels connected to others (Deci & Ryan, 2000). Self-Determination Theory (SDT) identifies relatedness as one of three innate psychological needs (i.e. relatedness, competence, autonomy) that are the basis for a person's self-motivation (Ryan & Deci, 2000; Deci & Ryan, 1985). The research underway is structured to determine personality dimensions of professors that are associated with student perceptions of relatedness. In addition, the congruence of professor personality dimensions with the student's self-image is examined; the analysis considers if the degree of alignment makes a difference in relatedness perceptions. Finally, student perceptions of the personality dimensions of a professor and relatedness will be explored to determine relationships with student effort, satisfaction, and word-of-mouth communication. Focusing on the influence of professors' personalities and student perceptions of relatedness goes beyond studying what a professor covers when sharing knowledge. The assumption is that the effectiveness of a professor depends on what is covered when knowledge is shared and how it is covered when interacting with students. The influences of relatedness perceptions and professors' personalities place attention on "how" information is covered as students interact with a professor.

NO ONE TOLD ME ABOUT THE DARK SIDE: PITFALLS FOR FACULTY TEACHING ONLINE

Patrick R. Rogers, North Carolina A&T State University

Shona D. Morgan, North Carolina A&T State University

Kathryn Cort, North Carolina A&T State University

ABSTRACT

This exploratory paper reports a study investigating the implications of online teaching for faculty at four year institutions. A survey of faculty at three different Colleges of Business in North Carolina reveals significant professional implications for those teaching online courses. Three primary areas of investigation included: 1) Preparation time required to develop an online course, 2) Quantity of time devoted to actually delivering the course online, 3) Student evaluations of faculty teaching online. The authors find that there may be strong disincentives for teaching online courses. We conclude with a discussion of these findings and how they may be useful in effectively addressing the growing challenges facing faculty and administrators as more and more courses move online.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/a9RurEkka-8>

INTRODUCTION

A recent survey (2015) by the Babson Survey Research Group found that well over 6 million students reported taking one or more online course, a nearly 4 percent increase from the previous year. Thirty-two percent of higher education students now take at least one course online. Nearly three-quarters of academic leaders rating the learning outcomes in online education as the same or superior to those in face-to-face. The proportion of primary academic leaders that suggest that online learning is critical to their long-term strategy is at a new high of 69.1 percent. (onlinelearningconsortium.org/2015Survey). Distance delivery of curriculum is now becoming a standard medium for supplementing or replacing traditional classroom teaching (Allen & Seaman, 2013; Dolezalek, 2003; Drago, Peltier & Sorensen, 2002). For many institutions, the increased demand by students for online courses and improvements in Web-based technology have made this an economical and useful way to increase student enrollment. The increasing availability of distance education reveals the growing importance of this method of instruction.

Faculty Implications

Given this tremendous interest and growth in online enrollments, faculty are being asked to develop quality online courses, and to teach these courses as well. The switch from traditional

instruction to online may have a variety of implications and concerns for faculty. This study is driven by a simple question. Are there negative professional consequences for faculty who teach online? We now look at three important areas of concern: preparation time required to develop an online course, quantity of time devoted to delivering the course online and student evaluations of faculty teaching online.

Thormann and Zimmerman (2012) found that the design of the course and its implementation are two major categories of differences between teaching courses online and face-to-face. Time commitment has been identified as a major concern of faculty considering teaching online courses (Lewis & Abdul-Hamid, 2006), as well as skills necessary to use technology tools and/or learning management systems (De Gagne & Walters, 2009). Determining and applying quality and comfortable teaching strategies for online curricula delivery often requires new skill sets (Brinthaupt, Fisher, Gardner, Raffo, & Woodward, 2011). These skill sets must be developed and this takes time and resources. The intensity of online work was identified as one of the major themes expressed by faculty in a qualitative study by De Gagne and Walters (2009). Faculty believed they spent more time on planning, designing, delivering and evaluating online instruction, and, also, indicated that their workload increased. Boettcher (2006) reported that faculty described working up to 80 hour weeks while moving a traditional class to an online course. Generally, faculty are not compensated for this time investment.

The time it takes to actually teach an online course has not been well studied. Most of the current research has focused more on course design and time devoted to course development. Some studies have begun to look at instructor presence, communication and availability (Andersen and Avery, 2008; Preisman, 2014). There is certainly a concern among faculty that the time required to teach an online course is greater than the traditional classroom (Christianson, 2002; Van de Vord & Pogue, 2012). In their research, Van de Vord and Pogue (2012) suggest that online courses require more instructor time to administer than face to face courses. Sheridan (2006) proposed that online faculty spend more hours than traditional faculty in preparing and administering online courses.

Lazurus (2003) found that whereas a traditional course requires office hour availability several times a week, online course require daily availability. Moreover, faculty reported up to 4 to 5 times more email communication with students in an online course versus traditional face to face. There is an extensive time commitment required for reading and responding to text-based discussions, emails and the written assignments typical of an online course. Gallien and Oomen-Early (2008) suggest that the time necessary for online classroom administration is clearly greater than the face-to-face.

A last area of concern for faculty is student evaluations of faculty in online courses. Herbert (2006) examined student online course retention and course satisfaction and found that while successful completers are more satisfied with all aspects of the online courses; neither completers nor non-completers rank their overall experience exceptionally high. Some studies on the differences in student perceptions about online and face-to-face education indicate that online learners are as satisfied, or more satisfied. Boghikian-Whitby and Mortagy (2010) found that online students are more satisfied with the course activities than face-to-face students. Cao and Sakchutchawan (2011) found that, in terms of course evaluation numerical satisfaction results,

online courses examined appear to receive somewhat lower rating by its students than traditional face-to-face courses.

Similarly, Young and Duncan (2014) looked at 11 pairs of online and traditional face-to-face courses of the same content. They found that on-campus courses were rated significantly higher than online courses in specific categories of evaluation as well as in overall satisfaction. Although many faculty question their validity, substantial research has supported the use of student ratings to measure teaching quality (Marsh, 2007), and student ratings of instruction are widely used in many colleges and universities as a primary means of measuring teaching effectiveness (Dresel & Rindermann, 2011; Galbraith, et. al. 2012). It is certainly particularly likely that online courses will use traditional numerical evaluation of faculty.

Findings

We compiled the responses from 64 faculty and found the following. We combined the much more and more responses to question one to find that sixty of the responding faculty (93%) said that their online course took more time to prepare than a traditional face-to-face course. Moreover, fifty-five out of sixty-four (86%) said it took *much* more time to develop their online course. Fifty-two of sixty-four faculty (81%) indicated that it took more time to teach their online course. Forty-four out of sixty-four faculty (69%) indicated that their online course had lower student evaluations of them than their face-to-face course produced. See Table 1 below for the means of the item responses for questions one through three.

Table 1		
Question Likert Means		
	<u>N</u>	<u>Mean*</u>
Question 1 - Course Development Time	64	4.79
Question 2 - Course Teaching Time	64	4.47
Question 3 – Course Evaluations	64	4.31
* “Mean” of the 5 point Likert scale		

Question four was a simple yes or no question that we hoped might verify some of the anecdotal evidence we had been receiving from a variety of faculty. Faculty are very mindful of the number of courses they have to prepare for each semester as more preps means more time devoted to teaching and less time for other faculty responsibilities like advising, committee work and certainly research. Of our sixty-four faculty respondents, fifty-nine (92%) felt that the online course was a separate and unique prep when compared to the same course taught face-to-face (note: we did not ask faculty if they were teaching both courses at the current time or whether they ever had taught both course at the same time).

DISCUSSION

All three authors of this study have taught one course or more both online and face-to-face. This experience along with many discussions with other faculty who teach online became the catalyst for this study. We sensed a growing concern among faculty regarding what the growth in online delivery of courses meant for them professionally. The findings described above only reemphasized more broadly to us that faculty are finding that teaching online is changing their work environment quite dramatically.

In their survey responses, faculty painted a picture of a new and changing work environment that was affecting their professional lives. Some faculty described an “administration running fast into online course growth” without thinking through the implications for faculty. Several faculty indicated that they were concerned with their ability to offer the same quality course online as they delivered in their face to face course. A few faculty indicated that when it came to making decisions about whether to offer a course online, or discussions regarding the ability to offer the same quality online, they were not involved in the process. They were often simply asked if they could or would develop their course for online delivery.

A fairly consistent area of concern were faculty perceptions of what students thought an online course should be. Often, they expressed that students “think online means easy.” One faculty member said his online students thought online means “I do what I want when I want”. One faculty member said that students would complain about requirements in her online section and when she expressed that they were the same requirements found in her face to face course, the students would express that “online courses should be different”.

Many respondents said that communication was their biggest problem. Although some faculty said they only correspond with students during office hours (“I only read and respond to emails during my office hours”), many faculty felt the burden of always needing to be available. They revealed that many students believe that faculty should always be available and faculty blamed this, again, on the notion that this course should be available to me whenever I want, and that includes the faculty member’s presence. Faculty who expressed that they tried to meet the communication expectations of their online students described being “exhausted” by the communication needs of the course.

It should be noted that much what have just describe becomes evident in student evaluations of faculty. With student perceptions of what an online course should be, and faculty requirements often being quite opposed to this notion, student expression for this opposition may be evaluations of faculty. A majority of our faculty found their online evaluations to be lower than their face to face evaluation of the same course. One faculty member expressed that sometimes “students are simply dissatisfied with the whole online structure at my institution and the only outlet for their frustration is my evaluation.”

We were surprised by some of the comments from faculty regarding being asked about their online course being an additional prep. We had several faculty say they were glad someone asked them this question as they had been complaining about this for some time. Many faculty complained that their chairs simply were unwilling to look at their online courses as a separate prep. One faculty member said that when their review time came around they brought up both the additional prep issue and the time devoted to my online course, and its effect on time available for other responsibilities, including research. They were told by their chair that administration only

seemed to care about new growth opportunities for enrollment and retention. Faculty work life and work load were being “overlook”.

Reviewing the data from the responses we got along with the written comments made us feel a bit like we had stirred up a hornet’s nest. Faculty were very passionate about their concerns associated with teaching online. They certainly expressed a lack of being heard regarding these concerns. It appears to us that teaching online has many implications for faculty work life. It also appears that administration must address the “dark side” of teaching a greater number of online courses. They ignore this at their peril. As we addressed earlier, online course offerings will continue to grow. Faculty will continue to be called on to develop and teach these courses. The changing work life of faculty must be considered as institutions rapidly pursue more online course offerings.

FIFA WORLD CUP: AND THE WINNER IS...

Ricardo Manuel Santos, Trinity University

ABSTRACT

Using data from all FIFA World Cup competitions that took place between 1994 and 2010, a logit model is estimated to forecast the likelihood of success of each team in each tournament. The model correctly identifies the winner in 4 out of the 5 tournaments, and among many variables considered, hosting the tournament, the team's quality, and the stage of the generational cycle of the players are found to be the key contributors to its forecasting performance. We used the recent 2014 World Cup as an ambitious test for the model's ability to forecast the winner at future tournaments. Our results (as of February 2014) indicated Germany was the favorite to win the cup, followed by Argentina. Those were precisely the teams that met in July at the final, with Germany lifting the trophy.

We make use of the model in two different regards. First, the ability of FIFA's rankings to serve as a measure of teams' relative strength is evaluated and rejected. Specific suggestions on how to improve their current ranking methodology are presented. Second, using bookmakers' odds and model probabilities, we show that a sophisticated bettor could (consistently) make a profit. Therefore, our results suggest deviations from efficiency of the betting market as well.

USING SIMPSON'S RULE TO EVALUATE THE NORMAL CUMULATIVE DISTRIBUTION FUNCTION IN AN ALGORITHMIC OPTION PRICING PROBLEM

Jeff Whitworth, University of Houston-Clear Lake

ABSTRACT

Algorithmic problems are especially useful for assessing student learning in quantitative courses, as they allow instructors to easily generate multiple versions of a test, quiz, or assignment with problems that are similarly formatted but whose input variables and correct answers differ, thereby making it more difficult for students to cheat. Several online tools and test-generation software packages provided by textbook publishers allow instructors to create their own algorithmic problems. In general, the solution to each problem must be entered as an algebraic expression using the input variables. While this is usually straightforward enough, it can be problematic in cases where no algebraic solution exists and the test-generation software lacks the more sophisticated function(s) needed. One such example is the normal cumulative distribution function (CDF), which is not built into algorithmic testing software but is often needed for financial option pricing and statistical applications. Although the normal CDF has no standard algebraic representation, Simpson's Rule can be used to numerically integrate the underlying probability density function, thereby generating a highly accurate approximation that can be programmed into the software. I demonstrate how to (1) set up an algorithmic problem where students are asked to price a call option via the Black-Scholes model, (2) apply Simpson's Rule to create a user-defined function that precisely approximates the standard normal CDF, and (3) use this newly defined function to program the correct solution to the option pricing problem.

OPTIMIZING GROUP PURCHASE DECISION WITH VOLUME DISCOUNT

Lin Zhao, Purdue University Northwest

CASE DESCRIPTION

The primary subject matter of this case concerns optimization and business analytics. Secondary issues examined include sales, pricing, e-business, information systems, and decision making using spreadsheet. The case has a difficulty level of 3-5. This case is appropriate for upper level Excel modeling or business analytics course to illustrate the usefulness of Solver tool in an optimization problem, or it can be taught in a sales course to demonstrate the value of volume discount for clients. This case is also appropriate for MBA students who have completed a pre-requisite upper-level undergraduate course in statistics or business analytics. This case is designed to be taught in three class hours and is expected to require four to six hours of outside preparation by students.

CASE SYNOPSIS

This case illustrates a challenge that many individual shoppers face as they shop more online, that is, finding the cheapest prices and best services. Elite Shopping Services (ESS), as a shopping consultant company, helps clients discover new products, shops, and promotions that match with their style and budget. ESS can help their clients particularly in the dilemma that individual shoppers sometimes cannot participate in buy more save more promotions due to limited shopping budget and needs. The senior analyst at ESS builds an optimization model to maximize savings for each client when volume discount is offered. This case shows the students how to solve an optimization problem using Excel. Analyzing real-world data collected from Internet enriches student knowledge and experiences on business decision making and critical thinking.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/Dg2oRCkMmks>

SOCIAL ENTREPRENEURSHIP: AN EMERGING ALTERNATIVE TO GOVERNMENTAL AND NON- PROFIT APPROACHES TO SOCIAL PROBLEMS

Stephen C. Betts, William Paterson University

Robert Laud, William Paterson University

Andrey Kretinin, William Paterson University

ABSTRACT

Social entrepreneurship is a contemporary approach to solving social problems that are traditionally addressed by governmental and non-profit organizations. Social entrepreneurs look for both a return on investment and a return to society. This emerging perspective is becoming very popular. The nascent literature has not yet settled on a definition of social entrepreneurship, however it does agree that social entrepreneurs have been effective when others were not. In this paper we will review the current state of social entrepreneurship. We propose a very general model that can be adapted to different settings.

ASSESSMENT OF KNOWLEDGE AMONG COLLEGE STUDENTS OF THE EXISTENCE OF FAMILY-OWNED BUSINESSES: A REVISIT

Tammy Johnston, University of Louisiana at Monroe

ABSTRACT

Family-owned businesses are firms that have some family participation and whose future direction is controlled in part or in whole by the family owners. These businesses play a major role in the global economy, accounting for 80-98% of all businesses worldwide (Pozo, 2004). Forty-nine percent of the US Gross Domestic Product is generated by family-owned businesses and family owned business employ 85% of the US work force (Pozo, 2004). Although these statistics highlight the prominence of family-owned businesses, how aware is the public at large of the existence and importance of family-owned businesses.

The current study will survey college students at a regional university to ascertain how readily they recognize popular firms as family-owned businesses and how correctly they identify the extent of family-owned businesses in the economy. A 2004 study (Parker and Strickler) found that only 35% of actual family-owned businesses were recognized as such by name. Additionally, the 2004 study found that respondents perceived family-owned businesses as accounting for 50% of firms as opposed to the 80% or more that they actually do. Only 31% of respondents in 2004 indicated they would like to work for a family-owned business which starkly contrasts with the 85% that actually do.

ENTREPRENEURIAL COGNITION IN SERIAL AND PARALLEL ENTREPRENEURS: THE NECESSITY TO SEGREGATE SUCCESS AND FAILURE

Robert D. Morrison, University of Texas of the Permian Basin

ABSTRACT

Entrepreneurship and the cognitive processes of entrepreneurs have drawn the attention of researchers in recent years and resulted in the tremendous growth of the segment in the academic literature. To date, researchers have failed to clearly identify that entrepreneurial element that makes entrepreneurs different from others. This study reviews the literature on serial, habitual, and parallel or portfolio entrepreneurship and argues the importance of differentiating between them and identifying failure versus success when conducting research, especially in the area of cognition. The identifying entrepreneurial element that researchers seek can only be found deep within the metacognitive processes of successful parallel entrepreneurs; those who have demonstrated the repeated ability to succeed. Many extant entrepreneurship studies are inconclusive or misleading due to sampling error because they report findings from samples where, based on widely known statistics, most of the entrepreneurs eventually failed or just got lucky once. I suggest that successful parallel entrepreneurs engage in pessimistic falsification, not excessive optimism, during the early stages of venture selection.

Keywords: Entrepreneurship, Cognition, Venture Selection, Serial Entrepreneurs, Habitual Entrepreneurs, Parallel Entrepreneurs

REDESIGNING ENTREPRENEURSHIP CURRICULUM IN NIGERIAN UNIVERSITIES FOR KNOWLEDGE CREATION AND LABOR MARKET COMPETITION

Victoria Ogwa Adikwu, University of Abuja

Bissan Danladi Joseph Ezekiel, Department of Business Administration

Chinelo Grace Obeleagu-Nzelibe, University Of Abuja

ABSTRACT

Two problems gnawing at the economic foundation of Nigeria, these are unemployment and unemployability. Based on the extant literature, the solution lies in the creation, proliferation and perpetuation of the entrepreneurship to become vital in the economic development of the nation. This is with the assumption that entrepreneurship skills can be acquired through education. Universities in Nigeria are expected to graduate students who are well equipped with entrepreneurial vision for pre-start ventures and job creators. Nigerian Universities have introduced and embedded entrepreneurship in the curricula, however, minimal positive results abound due to poor contents of the programs, pedagogy and learning styles. The teaching of entrepreneurship in Nigerian universities emerged as “all comers” venture with no regard to expertise nor streamlining how entrepreneurship should be taught, what should be taught, who should teach, and the type of entrepreneurs to be produced. The objective of the study therefore was to find an answer to the key research questions: how can Nigerian Universities achieve the anticipated objective of building the entrepreneurship economy for development? The study identified two approaches for attaining the objective, namely, redesign of entrepreneurship curriculum in Nigerian Universities to foster entrepreneurship development, create knowledge based economy, and second, streamline qualifications and skills of lecturers that teach entrepreneurship, determine how it should be taught and what should be taught. In essence, Nigerian Universities must become catalyst for entrepreneurship development conditioning the emergence of dynamic entrepreneurs. Some of the problems in restructuring the entrepreneur curriculum will be highlighted and possible solutions proffered. The research developed a model incorporating the elements and participants involved in redesigning entrepreneurship curriculum. Further research efforts to fine-tune the model and to institutionalize it through policy articulation was also identified.

Keywords: Entrepreneurship, University Curriculum, Unemployment, Nigeria.

SKILL GAPS, HUMAN CAPITAL FORMATION, AND STRATEGIC CHOICES: WHAT DO BUSINESSES DO WHEN FACING CRITICAL LABOR FORCE CHALLENGES?

Murat Arik, Middle Tennessee State University
Patrick Geho, Middle Tennessee State University

ABSTRACT

When employers face critical labor force challenges, what strategies do they pursue to remain competitive? Finding the right people for the job can be difficult, especially when faced with specialized knowledge and skill fields such as science, technology, engineering, and mathematics (STEM). To understand the employers' strategic choices with regard to work force recruitment challenges, this study directed several questions to a panel of 200 managers from manufacturing and information technology sectors and 69 economic development professionals across Tennessee. Employers and economic development professionals were asked to rank eight current strategies that they pursue when faced with critical workforce challenges, in order of importance. The same survey recipients were also asked to rank their preferred strategies. The current study aimed to investigate strategies organizations pursue in the talent hunt to get jobs done, with a more specific focus on STEM fields. This paper first reviews approaches and trends in literature with regards to human capital formation and recruitment strategies, and then assesses the survey results within the context of strategic human resource management literature. Overall, research has found that managers use diverse methods to help recruit and retain knowledge workers, and there is a notable gap between managers' current and preferred rankings of certain strategic choices.

SELECTED REFERENCES

- Biro, M. (2017). Reeling in the right talent in a candidates' market. Society for Human Resource Management. <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/how-to-reel-talent-candidates-market.aspx>.
- Chesney, C. (2017). Create a pipeline of talent for your business. *Motor Age*, 136(6) 22-24.
- Coetzee, M., Mitonga-Monga, J., & Swart, B. (2014). Human resource practices as predictors of engineering staff's organisational commitment. *SA Journal of Human Resource Management*, 12, 1-12. <http://dx.doi.org/10.4102/sajhrm.v12i1.604>.
- Coetzee, M., & Stoltz, E. (2015). Employees' satisfaction with retention factors: Exploring the role of career adaptability. *Journal of Vocational Behavior*, 89, 83-91.
- Eramo, L. (2017). Building a talent pipeline. *Journal of AHIMA*, 88(5), 20-23.
- Gibson, J. L. (2015). The effects of workforce trends and changes on organizational recruiting: A practical perspective. *Industrial and Organizational Psychology*, 8(3), 383-387. doi:10.1017/iop.2015.54.
- Graen, G. & Grace, M. (2015). New talent strategy: Attract, process, educate, empower, engage and retain the best.

SHRM-SIOP Science of HR White Paper Series.

Graff, J. (2012). Current trend- Contract staffing is a benefit to employers and workers. PR.com <http://www.pr.com/press-release/444212>.

Kim, S. (2012). The impact of human resource management on state government IT employee turnover intentions. *Public Personnel Management*, 41(2), 257- 279.

Lewin, A. Y., Massini, S., & Peeters, C. (2008). Why are companies offshoring innovation? The emerging global race for talent. *Journal of International Business Studies*, 40(6), 901-925.

Manning, S., Massini, S. & Lewin, A. Y. (2008). A dynamic perspective on next-generation offshoring: The global sourcing of science and engineering talent. *Academy of Management Executive*, 22(3), 35-54.

Manyika, J., Lund, S., Bughin, J., Robinson, K., Mischke, J., & Mahahan, D. (2016). Independent work: Choice, necessity, and the gig economy. McKinsey Global Institute. October.

McDonald, C. (2016). STEM Education: A review of the contribution of the disciplines of science, technology, engineering and mathematics. *Science Education International*, 27, 530-569.

Moschetto, M. (2013). Key trends in workforce management and new challenges in HR. *Employment Relations Today*, 7-13.

Price, S., & Reichert, C. (2017). The importance of continuing professional development to career satisfaction and patient care: Meeting the needs of novice to mid-to-late career nurses throughout their career span. *Administrative Sciences*, 7(2), 1-13.

Renaud, S., Morin, L., Saulquin, J. Y., & Abraham, J. (2015) What are the best HRM practices for retaining experts? A longitudinal study in the Canadian information technology sector. *International Journal of Manpower*, 36(3), 416-432, <https://doi.org/10.1108/IJM-03-2014-0078>.

Schmidt, S. W. (2007). The relationship between satisfaction with workplace training and overall job satisfaction. *Human Resource Development Quarterly*, 18, 481-498.

Shook, E., & Knickrehm, M. (2017). Harnessing revolution creating the future workforce. *Accenture Strategy*. <https://www.accenture.com/us-en/insight-future-workforce-today>.

Skrzypinski, C. (2017). 4 ways to build a successful talent pipeline. Society for Human Resource Management. <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/4-ways-build-successful-talent-pipeline.aspx>.

Sorensen, C. (2012). The end of the job: A world of freelancers and contract workers may be good for business, but bad for the economy. *Maclean's*, 125(3), 32-35.

Waters, S. (2017). How HR can build its own talent pipeline. Society for Human Resource Management. <https://www.shrm.org/hr-today/news/hr-magazine/0517/pages/how-hr-can-build-its-own-talent-pipeline.aspx>.

Wei, W. (2016). An investigation of optimal job characteristics for recruiting and retaining science, technology, engineering, and mathematics (STEM) professionals. (Unpublished master thesis) Massachusetts Institute of Technology, United States.

EFFECT OF INTELLECTUAL CAPITAL AND INNOVATION ON ORGANIZATIONAL PERFORMANCE (CASE STUDY OF KARAFARIN INSURANCE COMPANY IN TEHRAN)

Mahshid Nabi, Islamic Azad University - Iran

Hossein Moghimi Esfandabadi, Islamic Azad University -Iran

Abolfazl Moghimi Esfandabadi, University Noor Payam Yazd –Iran

ABSTRACT

Organizational performance in insurance companies require explanation of social factors. In other words, organizational performance requires innovative information and sharing knowledge for performance improvement. Therefore, goal of this study is focused on effect of intellectual capital and innovation on organizational performance in Karafarin insurance company. This paper is an applied research with regard to goal and descriptive-correlation in method. Statistical population includes 133 managing directors, finance and sales managers of Karafarin insurance company agents in Tehran and in timeline of last quarter of 2016 and first quarter of 2017. Random sample of 105 people selected based on Jcie and Morgan sample size table. Data collected on by a standard questionnaire and analyzed through descriptive and statistical interference by SPSS and AMOS softwares. Results shows that both intellectual capital and innovation have significant and positive effect on organizational performance.

Keywords: intellectual capital, innovation, organizational performance, Karafarin Insurance

CROSS CULTURAL DIFFERENCES IN AUSTRALIA, THE UNITED STATES OF AMERICA, AND THE UNITED KINGDOM

Jennifer Burson, University of Texas at Dallas

Leigha Ritchey, University of Texas at Dallas

Hivi Hurori, University of Texas at Dallas

Sara Fallah, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

Hofstede's 6D model is one of the most comprehensive studies of how values in the workplace are influenced by culture. The six dimensions of national culture are based on research within the field of culture; the dimensions studied are power distance, individualism, masculinity, uncertainty avoidance, long term orientation, and indulgence. Power distance deals with the extent to which the less powerful members of institutions and organizations within a country expect and accept unequal power distributions. Individualism is the grade of interdependence that a society maintains, and is often shown through a self-image question of I or we. Masculinity indicates to what degree a society will be driven by competition, achievement and success. Uncertainty avoidance is the extent that members feel threatened by unknown situations and how as a people they deal with the anxiety caused by that unknown. Long term orientation is how a society can maintain links to its past while dealing with challenges of the present and future. Indulgence is how people try to control their desires and impulses based on the way they were raised. Hofstede argues that societies differ along these major cultural dimensions.

Analysis of the cultures of Australia, the UK, and the USA through the use of Hofstede's model demonstrate that there are more similarities than differences in these countries. This is important to consider when taking cross cultural differences into account while interacting both in the workplace and outside of the workplace. Exploring each dimension separately will provide valuable information on ways to make interactions the most positive and rewarding. Power Distance scores are fairly close among the three, Australia 36, UK 35 and the USA 40. Interestingly, in the UK there is tension between the culture of birth rank (the British class system) and the belief that there should be no limit on one's ability to rise in society. All three countries exhibit good communication in the work place and that superiors are accessible. Scores on individualism were high and within one point of each other, with looking out for oneself and family, being self reliant and an emphasis on merit in the workplace represented. The US, with its increased geographic mobility, shows a stronger emphasis on being upfront and not shy when approaching others. Masculinity (vs feminism) was demonstrated across all three countries, Australia scored 61, the UK 66, and the USA 62, with "the winner takes all" attitude and a drive to be the best one can be important. The UK has a more subtle approach to this success driven

orientation, while the USA is more up front, not subtle, and more willing to talk about successes and achievements. The UK culture demonstrates more modesty and understatement, which, to foreigners, can seem at odds with its success driven value system. The first real variance in scores comes in Uncertainty Avoidance, Australia 51, the UK 35, and the USA 46. Australia's score made it difficult to draw conclusions, but the UK showed an attitude of "muddling through" and a confidence in ambiguity which makes their workplace planning less focused on detail and more on the end goal. The USA shows a high level of creativity and innovation, but with more detail orientation in the achievement of goals. The experience of 9/11 has increased fear of the unknown for many. Within the domain of long term orientation, the UK's score of 51 left an inability to draw conclusions. Australia scored 21 and the USA 26, both exhibiting normative features, with respect for traditions and a focus on quick results highlighted. The USA is more inclined to measure performance based on short term goals. Indulgence was similar in all three countries, Australia 71, the UK 69 and the USA 68, with a positive attitude and optimism highlighted. "Work hard, play hard" seems to be a theme among all three countries. Future research could be based on the works of the Carlands, the Carrahers, and Mike Buckley.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/KLURUgdcVQc>

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.

- Carland, J.W., Carland, J.C., & Koironen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carpenter, C. & Carraher, S. M. (2007). An examination of the reliability of a measure of Porter's five factors model among business leaders. *International Journal of Family Business*, 4 (1), 87-90.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S.M. & Buckley, M.R. (2008). Attitudes towards benefits and behavioral intentions and their relationship to Absenteeism, Performance, and Turnover among nurses. *Academy of Health Care Management Journal*, 4 (2), 89-109.
- Carraher, S. Buckley, M., & Carraher, C. (2002). Cognitive complexity with employees from entrepreneurial financial information service organizations and educational institutions: An extension & replication looking at pay, benefits, and leadership. *Academy of Strategic Management Journal*, 1, 43-56.
- Carraher, S.M., Buckley, M.R., & Carraher, C.E. (2008). Research challenges in sustainable strategic management: Change and sustainability. *International Journal of Sustainable Strategic Management*, 1 (1), 2-15.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S. , Gibson, J., & Buckley, M. (2006). Compensation satisfaction in the Baltics and the USA. *Baltic Journal of Management*, 1 (1), 7-23.
- Carraher, S., Hart, D., & Carraher, C. (2003). Attitudes towards benefits among entrepreneurial employees. *Personnel Review*, 32 (6), 683-693.
- Carraher, S. & Huang, L. (2003). Entrepreneurship: A Global View. *Business English* (pgs 243-268) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S. & Huang, L. (2003). Human Resource Management. *Business English* (Unit 5, 75-96) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Human Resource Management. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 60 to 80].
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Entrepreneurship: A Global View. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 194-220].
- Carraher, S., Mendoza, J., Buckley, M., Schoenfeldt, L., Carraher, C. (1998). Validation of an instrument to measure service orientation. *Journal of Quality Management*, 3, 211-224.
- Carraher, S., Mulvey, P., Scarpello, V., & Ash, R. (2004). Pay satisfaction, cognitive complexity, and global solutions: Is a single structure appropriate for everyone? *Journal of Applied Management & Entrepreneurship*, 9 (2), 18-33 .
- Carraher, S.M. & Paridon, T. (2008/2009). Entrepreneurship journal rankings across the discipline. *Journal of Small Business Strategy*, 19 (2), 89-98.
- Carraher, S.M., Paridon, T., Courington, J., & Burgess, S. (2008). Strategically teaching students to publish using health care, general population, and entrepreneurial samples. *International Journal of Family Business*, 5 (1), 41-42.

- Carraher, S. & Parnell, J. (2008). Customer service during peak (in season) and non-peak (off season) times: A multi-country (Austria, Switzerland, United Kingdom and United States) examination of entrepreneurial tourist focused core personnel. *International Journal of Entrepreneurship*, 12, 39-56.
- Carraher, S., Parnell, J., Carraher, S.C., Carraher, C., & Sullivan, S. (2006). Customer service, entrepreneurial orientation, and performance: A study in health care organizations in Hong Kong, Italy, New Zealand, the United Kingdom, and the USA. *Journal of Applied Management & Entrepreneurship*, 11 (4), 33-48.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S. & Sullivan, S. (2003). Employees' contributions to quality: An examination of the Service Orientation Index within entrepreneurial organizations. *Global Business & Finance Review*, 8 (1) 103-110.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S. & Whitely, W. (1998). Motivations for work and their influence on pay across six countries. *Global Business and Finance Review*, 3, 49-56.
- Carraher, S.M., Yuyuengwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chait, H., Carraher, S., & Buckley, M. (2000). Measuring service orientation with biodata. *Journal of Managerial Issues*, 12, 109-120.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Deng, F.J., Huang, L.Y., Carraher, S.M., & Duan, J. (2009). International expansion of family firms: An integrative framework using Taiwanese manufacturers. *Academy of Entrepreneurship Journal*, 15 (1), 25-42.
- Francis, D., Huang, L., & Carraher, S. (2004). Top management teams and friendship: Results from the USA and Taiwan. *International Journal of Family Business*, 1 (1), 73-86.
- Hart, D. & Carraher, S. (1995). The development of an instrument to measure attitudes towards benefits. *Educational and Psychological Measurement*, 55 (3), 498-502.
- Huang, L.Y. & Carraher, S. (2004). How effective are expatriate management and guanxi networks: Evidence from Chinese Industries. *International Journal of Family Business*, 1 (1), 1-23.
- Huang, L. & Carraher, S. (2009) China [an Area Studies Chapter]. In S. Carraher & D. Welsh (Eds). *Global Entrepreneurship*.
- Karsteter, K., Brown, N., & Carraher, S. (2006). From the Artist's hand: Managing arts and crafts businesses. *International Journal of Family Business*, 3 (1), 69-78.
- Keyes, C., Vinson, T., Hay, S. & Carraher, S. M. (2007). Parrish photography Part 1: Strategic Ethical Leadership. *International Journal of Family Business*, 4 (1), 67-82.

- Krishnan, V.S., Duan, J., Carraher, S.M., & Chan, S. (2007). GPS Real Estate Services. *Journal of Applied Management & Entrepreneurship*, 12 (4), 51-59.
- Lester, D., Parnell, J., & Carraher, S. (2003). Organizational life cycle: A five-stage empirical scale. *International Journal of Organizational Analysis*, 11 (4), 339-354.
- Lester, D., Parnell, J.A. & Carraher, S.M. (2010). Assessing the desktop manager. *Journal of Management Development*, 29 (3), 246-264.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Seladurai, R. & Carraher, S.M. (2014). *Servant Leadership: Research and Practice*. IGI Global Business Science Reference.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Carraher, S.M., Baker, L., Cochrane, D., & Robinson, F. (2009). The entrepreneurial dilemma: Grow or status quo?: A real case. *Journal of Applied Management & Entrepreneurship*, 14 (4), 37-53.
- Sullivan, S., Crocitto, M. & Carraher, S. (2006). Chapter 4 The fundamentals of reviewing. In Y. Baruch, S. Sullivan, & H., Schepmyer (Eds). *Winning Reviews: A Guide for Evaluating Scholarly Writing*. Palgrave Macmillan. Pp 65-78.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

JAPAN, IRELAND, THE UNITED STATES OF AMERICA, AND THE UNITED KINGDOM: CULTURAL VARIATIONS

Juan Rodriguez, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas
Malcom Wilkinson, University of Texas at Dallas
Kayla Kennedy, University of Texas at Dallas

ABSTRACT

The world is rich in diversity and differences between countries should be celebrated, or at the very least acknowledged. Learning other countries' cultures not only broadens your horizons, but is essential if conducting business internationally or simply with other cultures. Since we cannot speak on the differences between every country because there are so many, 195 determined by a quick google search, we will focus on the cultural variations between Japan, Ireland, the United States (US), and the United Kingdom (UK). Using Geert Hofstede's model of cultural differences, you can see the variations between the four before-mentioned countries in the areas of power distribution, individualism, masculinity, uncertainty avoidance, long-term orientation, and indulgence.

In Ireland inequalities among people are minimized. The United States deals with inequalities in all aspects. The United States and Ireland are both individualistic cultures; or they both look after themselves and family directly instead of groups. The United States and Ireland are a masculine society. Ireland and the United States also both scored low on uncertainty avoidance. Both countries accept new expression and ideas. The United States is normative on long term orientation. Normative societies prefer to maintain traditions while viewing the changed and society with suspicion. The United States likes to have proof of information. Even though the U.S. is normative the number of Americans going to church keep increasing. Ireland is also normative in long term orientation. Even though the Irish have respect for their tradition they also are interested in finding out the truth. The United States ranked a high score of 68 on indulgence. Americans have a "work hard, play hard" motto. The drug addiction in America is also extremely high compared to other developed countries.

Customer service is held in higher regard in the United States than in Ireland. Since customer service is held higher in the U.S. The U.S. thinks relating to someone who is knowledgeable is important, while the Irish do not find that connection as important. If an American and an Irish person walked into the same restaurant their opinion of their waiter would be different. The person from Ireland may think the waiter is being too friendly if they were in America. If an American was in Ireland they may not appreciate the service they get in the restaurant. The United States' also places more emphasis on customer service. The United States

has a higher rate of tipping and stronger customer service. In the United States, you usually tip around 20% while in Ireland you will usually tip around 10% to 12.5%. The realm of work has different meanings or social importance in different cultures. Some cultures tend to be easier going in terms of when workers come in or vary in their overall loyalty to the company. Work is what helps keep the world turning by all its facets from the simple garbage truck to the supply chain that helps power our vehicles. Which system works more in today's time for the US? One that focuses on heavy dedication and loyalty to the company or one where there is a blend of individualism and a balance in work life? The comparison I'd like to show is the one between the US and Japan to see how vastly different the two cultures view and go about work in their lives and to see what caveats can be taken from the Japanese from their view on family or something as simple as their schools.

Within Japan their ethics emphasize a group culture in that the wellbeing of the group is highly desirable. This group mentality seems to be strongest within the family unit themselves where the eldest sibling gets the father's name and assets. The other siblings are expected to find their own way. This conflicts with US in that many families have children where all the sibling inherit the father's last name and that many times the assets are either divided up evenly or divided by the best judgement of the parents. Also within Japan the group is placed over the individual in terms that harmony of the group is more important than the individual's self-expression or opinion. In contrast to Japan, the US has a heavier emphasis on the individual and their role within society. Many people in the US are free to express their opinions even if it comes at the cost of the group at large. This is not always the case, but there is an idea instilled in the people of the US to pursue what they want in life which sometimes comes into conflict with the responsibilities that people take on, whereas in the job environment, the Japanese seem to have loyalty to the companies that employ them with no frequent job hopping.

Also Japan is highly competitive much to the same vein as the US but more so in varying ways. The main difference is that Japan's high competitiveness is with groups whereas in the US it can be groups but it also extends to individual's. In Japan the motivation seems to be with the winning team which drives them to be the best in what they do which can be called a form of workaholism. This workaholism can create fantastic environment where the Japanese can in theory provide a superior service due to their constant pursuit in being the best and strongest in way they do. This would be handy in the service oriented industries but more so in the electronic industry such as home appliances or the market of programming. Japan's cultural focus on improving their services seems to be ingrained from birth, whereas US businesses introduce the process and seem to try and instill a sense of loyalty and mentality for improvement in workers. But interestingly the work ethic is seemingly instilled at a young age within the schooling systems in Japan that also teach children that any of them can reach a high position in life if they work hard enough.

From the American standpoint the idea of working hard to reach great places is echoed in the land of the rising sun, yet the main differentiation is the power distance, uncertainty avoidance and the act of indulging. If the US education system were to incorporate some of the Japanese mentality in regards to work in the sense of working in a group to improve and be the best whatever they choose. But there is much uncertainty whether the success of the Japanese education system

can be properly implemented in the US and whether that education can instill the value of continuous improvement in American children. So in terms for the US workforce, education might be key in giving the US an extra edge over foreign competition, but as with everything in life there has to be a balance.

In summary, every country is different and it is important to celebrate and understand those differences. We used Hofstede's model show how the United States and Ireland have an entrepreneurial attitude and a strong work ethic while disagreeing on inequalities between individuals. We displayed Japan's loyalty towards its employers and emphasize on group culture over individual expressions unlike its UK, American, and Irish counterparts. Lastly, while we didn't compare the UK and the US due to the many similar throughout the board, there was a huge disagreement when it comes to long term planning and preparing for the future. In the presentation to follow, we will reveal each country's individual scores and go in greater detail on the cultural differences between the US, UK, Ireland, and Japan. Future research should examine the research of the Carlands and the Carrahers [1984 to present].

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.

- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carpenter, C. & Carraher, S. M. (2007). An examination of the reliability of a measure of Porter's five factors model among business leaders. *International Journal of Family Business*, 4 (1), 87-90.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S.M. & Buckley, M.R. (2008). Attitudes towards benefits and behavioral intentions and their relationship to Absenteeism, Performance, and Turnover among nurses. *Academy of Health Care Management Journal*, 4 (2), 89-109.
- Carraher, S. Buckley, M., & Carraher, C. (2002). Cognitive complexity with employees from entrepreneurial financial information service organizations and educational institutions: An extension & replication looking at pay, benefits, and leadership. *Academy of Strategic Management Journal*, 1, 43-56.
- Carraher, S.M., Buckley, M.R., & Carraher, C.E. (2008). Research challenges in sustainable strategic management: Change and sustainability. *International Journal of Sustainable Strategic Management*, 1 (1), 2-15.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S. , Gibson, J., & Buckley, M. (2006). Compensation satisfaction in the Baltics and the USA. *Baltic Journal of Management*, 1 (1), 7-23.
- Carraher, S., Mulvey, P., Scarpello, V., & Ash, R. (2004). Pay satisfaction, cognitive complexity, and global solutions: Is a single structure appropriate for everyone? *Journal of Applied Management & Entrepreneurship*, 2 (2), 18-33 .
- Carraher, S.M. & Paridon, T. (2008/2009). Entrepreneurship journal rankings across the discipline. *Journal of Small Business Strategy*, 19 (2), 89-98.
- Carraher, S. & Parnell, J. (2008). Customer service during peak (in season) and non-peak (off season) times: A multi-country (Austria, Switzerland, United Kingdom and United States) examination of entrepreneurial tourist focused core personnel. *International Journal of Entrepreneurship*, 12, 39-56.
- Carraher, S., Parnell, J., Carraher, S.C., Carraher, C., & Sullivan, S. (2006). Customer service, entrepreneurial orientation, and performance: A study in health care organizations in Hong Kong, Italy, New Zealand, the United Kingdom, and the USA. *Journal of Applied Management & Entrepreneurship*, 11 (4), 33-48.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S. & Sullivan, S. (2003). Employees' contributions to quality: An examination of the Service Orientation Index within entrepreneurial organizations. *Global Business & Finance Review*, 8 (1) 103-110.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 2 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 2 , 45-66.

- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S. & Whitely, W. (1998). Motivations for work and their influence on pay across six countries. *Global Business and Finance Review*, 3, 49-56.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chait, H., Carraher, S., & Buckley, M. (2000). Measuring service orientation with biodata. *Journal of Managerial Issues*, 12, 109-120.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Deng, F.J., Huang, L.Y., Carraher, S.M., & Duan, J. (2009). International expansion of family firms: An integrative framework using Taiwanese manufacturers. *Academy of Entrepreneurship Journal*, 15 (1), 25-42.
- Hart, D. & Carraher, S. (1995). The development of an instrument to measure attitudes towards benefits. *Educational and Psychological Measurement*, 55 (3), 498-502.
- Huang, L.Y. & Carraher, S. (2004). How effective are expatriate management and guanxi networks: Evidence from Chinese Industries. *International Journal of Family Business*, 1 (1), 1-23 .
- Huang, L. & Carraher, S. (2009) China [an Area Studies Chapter]. In S. Carraher & D. Welsh (Eds). *Global Entrepreneurship*.
- Karsteter, K., Brown, N., & Carraher, S. (2006). From the Artist's hand: Managing arts and crafts businesses. *International Journal of Family Business*, 3 (1), 69-78.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Seladurai, R. & Carraher, S.M. (2014). *Servant Leadership: Research and Practice*. IGI Global Business Science Reference.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Carraher, S.M., Baker, L., Cochrane, D., & Robinson, F. (2009). The entrepreneurial dilemma: Grow or status quo?: A real case. *Journal of Applied Management & Entrepreneurship*, 14 (4), 37-53.
- Sullivan, S., Crocitto, M. & Carraher, S. (2006). Chapter 4 The fundamentals of reviewing. In Y. Baruch, S. Sullivan, & H., Schepmyer (Eds). *Winning Reviews: A Guide for Evaluating Scholarly Writing*. Palgrave Macmillan. Pp 65-78.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.

- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

ASIA, EUROPE AND NORTH AMERICA: STRATEGIC CUSTOMER SERVICE AND CULTURAL DIFFERENCES

Sri Ranga Vinay Anna, University of Texas at Dallas

Majeed Kavar, University of Texas at Dallas

Bilal Saleem, University of Texas at Dallas

Adrian Mendoza, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

Firstly, when it comes to dealing with ethics, we must calculate how it is measured. It is practical which ethical standards are received in a society and the social sciences have experiential instruments to inquire into this, and whether society obeys with these conduct standards and you can calculate norm compliance with laws in lab trials or research projects. The normal way to resolve this question is based upon disputation via public discussion or private explanation, also logic plays a major role. Ethics in these three countries have something in common, they have the minimum amount of disobedience noted by employees. Disobedience is explained here as a contravention of the law, organizational principles, or global ethical propositions such as civility and truthfulness. In the Global Business Ethics Survey, employers in Spain (21%) and Japan (15%) were close by or at the lowest for both pressures to agreements to organizational principles and wrongdoing. In Japan, ethics are strongly introduced into that country because of their culture. They have strict measures when it comes to meeting/greeting people and treating others with respect. Ethics in Japan could be stated as creating endeavors to expand communities mutually and increase the health of the people. The normative society of Japan can be split into two, social and religious terms. Three religions shaped the ethical environment in Japan, which is the native religion (meaning that each person has their own numen/spirit which is interconnected to other humans, Buddhism, and Confucianism. In the social aspects, the norms can be pictured as a set of groups constituting to friends, associates, or family. A history of Spain's ethics goes back to the School of Salamanca. who composed of philosophers, theologians, and academic canonists who were in these universities. They created a distinguishing knowledge of the issues faced in trade/commerce, they supplied a moral hypothesis encouraged by the principles taught by the Catholic Church and formed ethical creeds and put it into operations via their labor as mentors and confessors to lawmakers, leaders, and traders.

In Spain, Hofstede's 6D model is split up between the following criteria: power distance, individualism, masculinity, uncertainty avoidance, long-term orientation, and indulgence. The following scores are given: 57, 51, 42, 86, 48, and 44 respectively. Strategic customer service in Japan is there are multiple expectations of Japanese customers, the following include long-term commitment, tracking records, high qualitative traits, accessibility, affirmable and fast response,

and thorough follow-ups with ongoing advancement of attitudes. In Spain, strategic customer service is different compared to Japan, they include trust, building strong relationships, customer service isn't always correct, and very aggressive depending on the situation. South Korea is heavily influenced by Confucian values which affects many aspects of business life. It emphasizes the importance of group harmony, respect for authority and management, and embracing family and friends. In the last decade, Korea has put tremendous efforts to improve corporate governance by introducing modern, western management theories. A Code of Best Practice for Corporate Governance was launched by the Committee on Corporate Governance in 1999. This added a new tensions to a culture that respects age, seniority and family. South Koreans are more willing to protect their fellow employee than to speak up or 'blow the whistle' if they become aware of unethical practice. In an attempt to change this trend, the South Korean government launched the Korean Whistleblower Protection System in January 2002. The government efforts to place these programs has that business ethics climate is improving.

On the other hand, hierarchy, directness, and a certain measure of separation between work and private life are essential values in German business culture. Germany has a relatively long history in development and implementation of ethics assessment. The practice of ethics assessment in Germany is organized at different levels of the government. Germany is part of the EU and they follow the European standards and codes. For example, bribing foreign public officials is already a punishable offence under the EU Anti-Bribery Law. A German employee understands that he is liable for his acts and can be punished for wrong doing. They do not require much supervision to do a good job. Such a conscious attitude towards work and clearly expressed work ethic of German employees is often envied by managers from other countries. Germany scores higher in individualism, masculinity and indulgence compared to South Korea. Korea has a higher score than Germany in the following: Power distance, uncertainty avoidance and long term relationship. It is clear that in German culture there is a strong belief in individualism and self-actualization. Performance is valued and Germans draw a lot of self-esteem from their tasks. Managers are expected to be decisive and assertive. It is seen as a competitive society. Employees do not question the authority of their managers and are very loyal to their companies. Before most business deals are done, there has been considerable detailed analysis before commitment. According to Hofstede's model, Germans place greater importance on earnings, recognition, advancement and challenge. In contrast, what distinguishes South Korea is that it is one of the most uncertainty avoiding countries in the world. Koreans work hard for long hours, they are precise and punctuate in their work. People live their lives guided by virtues and practical good examples. Building strong, reliable, lasting relationships is key for the Koreans. Korea's culture is marked by respect and loyalty, which makes them reliable partners. Because of Germany's high score in masculinity, the German customer may enter into verbal fights to ascertain who is right and wrong. In high stress situations, there is a tendency among Germans to start getting emotional and to start emphasizing their arguments strongly. In contrast, Koreans will avoid confrontations. Germans are independent and self-reliant so they expect an efficient customer service strategy. Likewise, reliability is very important in the German culture which makes the structure and the accuracy of the service delivery process critical. Any service quality defects should be dealt with in an immediate, professional, structured way. Trust and long term relationship is crucial among the

Koreans which requires total privacy of the customer. It is important to build up credibility in the eyes of the customer by finding the best solution for the customer and assuring him of quality service. Both countries have high uncertainty avoidance which means customer service needs to be responsive to avoid uncertain situations. The United States has greatly evolved since the beginning of the country's origin. You can also say the same thing about Germany. Both countries are superpowers in their respective continents and are looked up too when making worldwide decisions. In my opinion, the United States is the superpower of the Western Hemisphere while it can be debated that Germany is the top superpower in the Eastern hemisphere. It would be a closer race to see how is the top superpower in the Eastern Hemisphere than it would be in the Western Hemisphere.

The United States has gone through its fair shares of ups and downs throughout its history but as a country, the United States is one of the top countries in the world. The United States is a country that prides itself in its accomplishments and lets the world know how they are doing. It also ranks near the top in most categories such as technology and science. Even though there are other countries that value education more than the United States, this country is above the average in regards to education. The three categories that the United States scored higher in Hofstede's Six Dimension Model than Germany are Power Distance, Individualism, and Indulgence. Power distance refers to that specific levels in societies are not equal, that they require more of a hierarchical model in society. Then United States got a score of 40 out of a possible 100 points which means that they think that society should have levels to it, that some people are higher than others. Germany received a score of 35 which is also somewhat high but not as high as the United States. Individualism refers to if people try to take care of themselves first or try to take care of society as a whole. The United States received a score of 91 which shows that people in the United States only look after themselves rather than looking after others. Germany also received a score of 67 which is still relatively high. The last category that the United States has outscored Germany at is Indulgence, which refers to the extent to which people try to control their desires and impulses. The United States outscored Germany 68 to 40 which means that the United States can control their impulses and desires better than Germany. The United States shows restraint while Germany shows indulgence, Germany on the other hand has been consistently one of this world's superpowers throughout time. They were huge players in both World Wars even though they opposed the United States in both wars. Technology wise, Germany grew as fast as any other top country because of breakthroughs in medicine, technology, science, and education. Future research should be based on the work of the Carlands and the Carrahers.

REFERENCES

- Ahmed, ZU., Zgheib, PH, Carraher, SM & Kowatly, AK. (2013) "Public policy and expatriate entrepreneurs", *Journal of Entrepreneurship and Public Policy*, Vol. 2 Iss: 1, pp.42 – 53.
- Baugh, S. Gayle, Sullivan, Sherry E., & Carraher, S.M. (2013). Global Careers in the United States. In *Careers without Borders: Critical Perspectives* by Reis, Christina & Baruch, Yehuda Published by Routledge. [pages 297-322; Chapter 16].
- Bhattacharya, T.K. & Carraher, S.M. (2008). How to teach high school students about entrepreneurial finance: The Financial Challenge *International Journal of Family Business*, 5 (1), 69.

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.

- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M., Yuyuengwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.

- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

BRAZIL, FINLAND, GERMANY, GREECE, SOUTH AFRICA, AND SWEDEN: CULTURAL DIFFERENCES IN CUSTOMER SERVICE

Oliver Aviles, University of Texas at Dallas
Nithin George, University of Texas at Dallas
Douglas Johnson, University of Texas at Dallas
Timothy Tran, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

Sweden and South Africa are similar in some ways when it comes to their ethical beliefs. Both are thriving sustainable countries with eco-friendly people, Africa is just a ways set back from Sweden in terms of advancement. They both participate in fair trade and business and want to be preserved by their people for the long run. The individuals within the countries are peaceful, easy-going, and only wanting the most beneficial outcomes. Sweden leads the way in global sustainability and Africa is the second-fastest growing country in the world. Despite Africa growing so quickly, they're hindered by a huge demand for education for their children and infectious diseases. They have more differences when it comes to Hofstede's 6D model. Beginning with power distance, South Africa is a 49 and Sweden is a 31 so South Africa accepts a hierarchical system just a little more than Sweden. When it comes to individualism both countries score pretty high demonstrating that the people prefer to look out for themselves and do what's in their best interests. Here's the huge difference, South Africa is a 63 in Masculinity while Sweden is a 5. That shows that people in South Africa are living to work and constantly hustling while the Swedish are more worried about the quality of life and caring for one another. In uncertainty avoidance, South Africa scores 20 points higher showing that their people prefer to embrace ambiguity a bit more to try to be prepared for it, while Sweden is like, "let's kick back, and whatever happens, happens!" In long term orientation there is a about a 20 point difference with Sweden leading this time. What this tells us is South Africa is not as advanced because they like their traditions and are skeptical about societal change, and Sweden is open to change and innovations. For the last category of indulgence both countries are similar again, this means they both have individuals with positive, optimistic attitudes and both prefer to enjoy life and act as they wish. When it comes to strategic customer service Sweden is a little more advanced as previously mentioned but South Africa is definitely catching on that it's about customer satisfaction. In Finland, business is practiced as straight to the point. There is an old Finnish saying that states "Take a bull by it's horns and a man by his word. It is said that Finnish communicating could be daunting to cultures less likely to be point blank. But with their form of communicating things are simple and uncomplicated. Also in business with Finland punctuality is key to everything. If you are going to be more than 5 minutes late, they would definitely expect a call for a reason as to why. On the

other hand, Greece does things almost similarly but some things can be greatly different., communications in Greece can be quick and conversations can be interjected during a Greek conversation. It is said to not be offended during their communication because it is a cultural norm. In Greece punctuality is said to not matter as much to them as Finns expect punctuality.

With researching Hofstede's model for the 6 dimensions. Finland was scored at 33 for power distance whereas Greece scored a 60. Therefore, this means that in Greece people are ok with their position in life and there is a definitely hierarchical order. But in Finland people try to work towards being more equal. In the Individualism section Finland scored a 63 and Greece scored a 35. In Masculinity Finland scored a low 26 and Greece scored a 57. In Uncertainty Avoidance Finland scored a 59 which is already considered high. But Greece scored a 100 in this section. Which means they do not respond well to new things and abnormal behavior or trends. Long term orientation Finland scored a 38 and Greece scored a 45. In Indulgence Finland scored a 57 and Greece scored a 50. In both countries, they have started adopting a more customer oriented strategy, which were they are identifying what core success factors would be the cornerstones that would build up top quality customer service. Finland companies would start making promises with customers on a common ground rule which would make the customers feel like they are equal with their provider. Also companies will actually implement a customer satisfaction survey that would help increase feedback to the company on what changes would be beneficial for services. Also attempting in knowing your customers will help you be better prepared in how to behave and respond around them. Brazil vs Germany comparison using Hofstede's 6D model . In Brazil the President has been removed from office and many government officials are under investigation for being involved as well. After analyzing the dimensions of the Hofstede's 6D model, several major differences between Brazil and Germany stand out. 3 specific dimensions showed significant differences between the two countries including power distance, long-term orientation, and individualism. Brazil and Germany vary greatly when it comes to Power Distance, which is the dimension of the model that reflects people's view on how power is distributed within society. A low score in this category means that the people of that country expect and accept that power is distributed equally. A high score on this dimension indicates that people of this country believe that power is distributed unevenly and that there is great "distance" between those who have power and those who do not (A more polarized hierarchy of power). Brazil had a power distance rating of 69, while Germany had a power distance rating of 35. This is an interesting difference between the two nations that highlights that Brazil believes there is a more uneven balance of power while Germany believes power to be distributed more evenly within their society. Another major difference between the two countries is long-term orientation. Brazil had a long-term orientation of 44, while Germany had a rating of 83 in the same category. This is a stark contrast between the two countries and likely means that the people of Brazil tend to focus more on the short term, while people in Germany tend to have more focus on the long-term. Some characteristics that might describe a country with short-term orientation.

There are not very many dimensions of the Hofstede 6D model in which Brazil and Germany appear to be relatively similar. There are only two dimensions out of five total dimensions that are under 20 points different. This highlights that these two countries are very different in almost every single way using this model. However, Brazil and German appear to

relatively similar in terms of uncertainty avoidance. Uncertainty avoidance is the tolerance for uncertainty or ambiguity. Brazil had an uncertainty avoidance score of 76 while Germany had a score of 65 meaning that they have a similar view when it comes to unpredictability even though Brazil has a slightly higher score in this category. Both countries have a similar threshold for uncertainty and prefer more clarity in their future. Applying this model to Brazil and Germany revealed that the two countries are vastly different when compared to power distance, indulgence, masculinity, uncertainty avoidance, individualism, and long-term orientation. In almost all the dimensions there is at least a 19-point difference in the score (there is only 1 that is less than 19 points different). The average difference between Germany and Brazil in all 6 dimensions is 26.67 points. The Hofstede 6D model has revealed the big difference between Brazil and Germany, however, the model has also provided valuable insight into the two countries in terms of their culture and what they value the most.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/DYPNw2SmYh4>

REFERENCES

- Ahmed, ZU., Zgheib, PH, Carraher, SM & Kowatly, AK. (2013) "Public policy and expatriate entrepreneurs", *Journal of Entrepreneurship and Public Policy*, Vol. 2 Iss: 1, pp.42 – 53.
- Baugh, S. Gayle, Sullivan, Sherry E., & Carraher, S.M. (2013). Global Careers in the United States. In *Careers without Borders: Critical Perspectives* by Reis, Christina & Baruch, Yehuda Published by Routledge. [pages 297-322; Chapter 16].
- Bhattacharya, T.K. & Carraher, S.M. (2008). How to teach high school students about entrepreneurial finance: The Financial Challenge *International Journal of Family Business*, 5 (1), 69.
- Buckley, M.R., Carraher, S.M., Carraher, S.C., Ferris, G.R., & Carraher, C.E. (2008). Human resource issues in global entrepreneurial high technology firms: Do they differ? *Journal of Applied Management & Entrepreneurship*, 13 (1), 4-14.
- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Buckley, M., Mea, W., Weise, D., & Carraher, S. (1998). Evaluation change in public organizations: An Alpha, Beta, Gamma change perspective. In *Accountability and Radical Change in Public Organizations* (pages 229-241) edited by Ronald R. Sims, Westport, CT: Quorum Books.
- Buckley, M., Mobbs, T., Mendoza, J., Novicevic, M., Carraher, S., & Beu, D. (2002). Implementing realistic job previews and expectation lowering procedures: A field experiment. *Journal of Vocational Behavior*, 61 (2), 263-278.
- Budd, J. & Carraher, S. (1998). Validation of an inventory to measure attributes of strategic management. *Psychological Reports*, 82 (3 Pt 2), 1220-1222.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: Developing the next generation of leaders and entrepreneurs. *International Journal of Family Business*, 5 (1), 45-46.

- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: How to develop the next generation of leaders and entrepreneurs at your university. *International Journal of Family Business*, 5(1), 65-66.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.

- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 2 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 2, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.

- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

PAKISTAN, PERU, SWITZERLAND, AND THE USA: CULTURAL DIFFERENCES

Saad Sarfaraz, University of Texas at Dallas

Ilian Lumbre, University of Texas at Dallas

Yessenia Viteri, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

The power distance in Pakistan is different than in USA, the power distance in Pakistan is way higher than in USA, everyone is unique over there and share different power. Some of them have high power and some don't even have any power. This dimension deals with the fact that all individuals in societies are not equal, and it expresses the attitude of the culture toward these power inequalities amongst us. In USA power sharing is same and people share power with each other except for few people. The fundamental issue addressed by this dimension is the degree of interdependence a society maintains among its members. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are only supposed to look after themselves and their direct family. In Collectivist society's people belong to "in groups" that take care of them in exchange for unquestioning loyalty. The individualism in USA is on the top of the list, after the age of 18 parents let their kids do on their own, but as compare in Pakistan it is different and individuals do it together and people do it with the help of family and still live in joint family. A high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the "winner" or "best-in-the-field." The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these is reflected in the score on Uncertainty Avoidance. The US scores below average, with a low score of 46, on the Uncertainty Avoidance dimension. Pakistan scores 70 on the uncertainty Avoidance because. This dimension describes how every society has to maintain some links with its own past while dealing with the challenges of the present and future, and societies priorities these two existential goals differently. Normative societies. Which score low on this dimension, for example, prefer to maintain time-honored traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future. The United States scores normative on the fifth dimension with a low score of 26. Pakistan scores 50 points in Long term orientation, they like to save money for the future and try to live in the future, leave the money for their kid's future.

In the comparison of Peru and Switzerland, one would suspect that the similar mountainous geographies of both countries would lead to some shared traits within the cultural environment. But the exploration of both countries' cultures show a stark difference in all six of Hofstede's cultural dimensions. A reason as to why this is the case could be due to the histories of both nations. Throughout its history, the people of Peru have been ruled by tightly structured and centralized governing boards. First during the rule of the Inca Empire, and then, while colonized by Spain. Colonization efforts like the spread of the Catholic Church has most likely played the biggest part in shaping Peru's culture. In fact, Peru shares many cultural similarities with its other Latin American neighbors. Like Peru, Switzerland's neighbors have also played a huge role in shaping the country's culture. A land-locked nation surrounded by five other countries, a lot of the surrounding cultures has diffused into Switzerland. But probably the biggest factor as to how Switzerland's culture has come about is probably its long-standing neutrality policy, and the natural barriers that allow the country to remain neutral. These different neighbors and different histories have led to the differences in culture that will be discussed further down. The biggest difference between the two countries is on Individualism. Peru scored a 16 on individualism, which is very low, but in line with other Latin American countries. With collectivist societies, group cohesion is often placed before individual needs. To belong in the group is key to advancement and success. Employees trade autonomy for the security that conformity brings. Employees tend to fall in line with company views and procedures and people are generally attracted to large corporations. This may lead to situations where, if faced with a moral dilemma, or if their company is doing unethical deeds, an employee may set aside their personal moral views and support the decisions of the company. In working in Peru, many will find that small talk is important to the business process. Before proceeding with the real business, it is important that both individuals feel like everyone is within the same group together. Getting to know who you're doing business with is integral to the business process. And oftentimes, what groups you're in will play a bigger role in whether you're promoted rather than your merits. But researches have argue that collectivism values could influence employees to productively work as team members. Most people who practiced collectivism values tend to perform better in group work than people with individualistic values. Moreover, most employees in collectivism societies are more committed to achieving the company's goals. They feel part of the company, like another member of a big family. In contrast, Switzerland scored a 68 on individualism, which is relatively high. Part of this is due to the strong French and German influence in Switzerland. But another part is due to the spread out, mountainous lifestyle of Switzerland. Many individuals prefer independence and the expectation is that one should take care of themselves and their family rather than worry about others. Not to say that there is no collaboration, there is just an understanding that mutual advantage is the underlying condition within both parties' minds. Therefore, no collaboration could lead to higher operating costs due to lack of effective communication and team work which cause that some tasks are done twice. Work on one task twice is a waste of time and resource.

REFERENCES

- Ahmed, ZU., Zgheib, PH, Carraher, SM & Kowatly, AK. (2013) "Public policy and expatriate entrepreneurs", *Journal of Entrepreneurship and Public Policy*, Vol. 2 Iss: 1, pp.42 – 53.

- Baugh, S. Gayle, Sullivan, Sherry E., & Carraher, S.M. (2013). Global Careers in the United States. In *Careers without Borders: Critical Perspectives* by Reis, Chistina & Baruch, Yehuda Published by Routledge. [pages 297-322; Chapter 16].
- Bhattacharya, T.K. & Carraher, S.M. (2008). How to teach high school students about entrepreneurial finance: The Financial Challenge *International Journal of Family Business*, 5 (1), 69.
- Buckley, M.R., Carraher, S.M., Carraher, S.C., Ferris, G.R., & Carraher, C.E. (2008). Human resource issues in global entrepreneurial high technology firms: Do they differ? *Journal of Applied Management & Entrepreneurship*, 13 (1), 4-14.
- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Buckley, M., Mea, W., Weise, D., & Carraher, S. (1998). Evaluation change in public organizations: An Alpha, Beta, Gamma change perspective. In *Accountability and Radical Change in Public Organizations* (pages 229-241) edited by Ronald R. Sims, Westport, CT: Quorum Books.
- Buckley, M., Mobbs, T., Mendoza, J., Novicevic, M., Carraher, S., & Beu, D. (2002). Implementing realistic job previews and expectation lowering procedures: A field experiment. *Journal of Vocational Behavior*, 61 (2), 263-278.
- Budd, J. & Carraher, S. (1998). Validation of an inventory to measure attributes of strategic management. *Psychological Reports*, 82 (3 Pt 2), 1220-1222.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: Developing the next generation of leaders and entrepreneurs. *International Journal of Family Business*, 5 (1), 45-46.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: How to develop the next generation of leaders and entrepreneurs at your university. *International Journal of Family Business*, 5 (1), 65-66.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.

- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carpenter, C. & Carraher, S. M. (2007). An examination of the reliability of a measure of Porter's five factors model among business leaders. *International Journal of Family Business*, 4 (1), 87-90.
- Carraher, C. & Carraher, S. (1996). ISO 9000 - An industrial management tool. *Polymeric Materials Encyclopedia* (Vol. 5 pages 3481-3484) edited by J. Salamone, Boca Raton, FL: CRC Press.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2010). Metal-containing polymer structures for enhancing seed germination and plant growth. *Advances in Environmental Biology*, 4 (1), 108-116.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2011). Plant growth hormone-containing polymers for enhanced seed germination and plant growth. *Journal of Polymeric Materials*, 28 (2), 287-301.
- Carraher, C., Gaonkar, A., Stewart, H., Miao, S., & Carraher, S. (1998). Structural characterization and effects of Gibberellic acid-containing Organotin polymers on sawgrass and cattail germination and seedling growth for everglades restoration. In *Tailored Polymeric Materials for Controlled Delivery Systems* (pages 295-308) edited by Iain McCulloch and Shalaby W. Shalaby, Washington, DC: American Chemical Society & Oxford University Press.
- Carraher, C., Stewart, H., Carraher, S., Chamely, Learned, W., Helmy, J., Abey, K., & Salamone, A. (2002). Condensation polymers as controlled release materials for enhanced plant and food production: Influence of gibberellic acid and gibberellic acid-containing polymers on food crop seed. In *Functional Condensation Polymers* (Chapter 16, pages 223-234) edited by Charles E. Carraher, Jr. & Graham G. Swift, New York: Kluwer Academic/Plenum Publishers
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S.M. & Buckley, M.R. (2008). Attitudes towards benefits and behavioral intentions and their relationship to Absenteeism, Performance, and Turnover among nurses. *Academy of Health Care Management Journal*, 4 (2), 89-109.
- Carraher, S. Buckley, M., & Carraher, C. (2002). Cognitive complexity with employees from entrepreneurial financial information service organizations and educational institutions: An extension & replication looking at pay, benefits, and leadership. *Academy of Strategic Management Journal*, 1, 43-56.
- Carraher, S.M., Buckley, M.R., & Carraher, C.E. (2008). Research challenges in sustainable strategic management: Change and sustainability. *International Journal of Sustainable Strategic Management*, 1 (1), 2-15.
- Carraher, S., Buckley, M. & Cote, J. (1999). Multitrait-multimethod information management: Global strategic analysis issues. *Global Business & Finance Review*, 4 (2) 29-36.
- Carraher, S., Buckley, M., & Cote, J. (2000). Strategic entrepreneurialism in analysis: Global problems in research. *Global Business & Finance Review*, 5 (2), 77-86.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.

- Carraher, S., Franklin, G., Parnell, J., & Sullivan, S. (2006). Entrepreneurial service performance and technology management: A study of China and Japan. *Journal of Technology Management in China*, 1 (1), 107-117.
- Carraher, S., Gibson, J., & Buckley, M. (2006). Compensation satisfaction in the Baltics and the USA. *Baltic Journal of Management*, 1 (1), 7-23.
- Carraher, S., Hart, D., & Carraher, C. (2003). Attitudes towards benefits among entrepreneurial employees. *Personnel Review*, 32 (6), 683-693.
- Carraher, S. & Huang, L. (2003). Entrepreneurship: A Global View. *Business English* (pgs 243-268) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S. & Huang, L. (2003). Human Resource Management. *Business English* (Unit 5, 75-96) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Human Resource Management. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 60 to 80].
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Entrepreneurship: A Global View. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 194-220].
- Carraher, S. & Parnell, J. (2008). Customer service during peak (in season) and non-peak (off season) times: A multi-country (Austria, Switzerland, United Kingdom and United States) examination of entrepreneurial tourist focused core personnel. *International Journal of Entrepreneurship*, 12, 39-56.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Deng, F.J., Huang, L.Y., Carraher, S.M., & Duan, J. (2009). International expansion of family firms: An integrative framework using Taiwanese manufacturers. *Academy of Entrepreneurship Journal*, 15 (1), 25-42.
- Huang, L.Y. & Carraher, S. (2004). How effective are expatriate management and guanxi networks: Evidence from Chinese Industries. *International Journal of Family Business*, 1 (1), 1-23.
- Huang, L. & Carraher, S. (2009) China [an Area Studies Chapter]. In S. Carraher & D. Welsh (Eds). *Global Entrepreneurship*.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Carraher, S.M., Baker, L., Cochrane, D., & Robinson, F. (2009). The entrepreneurial dilemma: Grow or status quo?: A real case. *Journal of Applied Management & Entrepreneurship*, 14 (4), 37-53.

- Sullivan, S., Crocitto, M. & Carraher, S. (2006). Chapter 4 The fundamentals of reviewing. In Y. Baruch, S. Sullivan, & H. Schepmyer (Eds). *Winning Reviews: A Guide for Evaluating Scholarly Writing*. Palgrave Macmillan. Pp 65-78.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

GERMANY, MEXICO, AND THE USA: CUSTOMER SERVICE & CULTURAL DIFFERENCES

Michael Green, University of Texas at Dallas

Tori Kaiser, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

This paper compares three countries using Hofstede's 6D model: United States of America in comparison with Germany and Mexico. The United States of America was selected due to its most relative meaning to the authors. Germany was selected due to its reputation for hosting several of the world's finer companies such as Mercedes-Benz, BMW, and SAP. Mexico was selected for contrast because it produces 1/8th of the United States GDP in 2013. Starting with power distance in the model the United States, Germany, and Mexico scored 40, 35, and 81 respectively. The results from this dimension actually are expected with the United States and Germany closely aligned types of government, education and culture. Mexico's corruption and crime in government demonstrates that third parties have the power to influence the decisions Mexico's leaders. Social distance is separated by class and money in Mexico, while the United States and Germany have cultures favoring human rights and equality. Next, individualism the United States scored an astounding 91. Opposite of the United States was Mexico who scored a 30. Germany came in the middle with a 67. This shows that the United States is very individualistic derived from capitalism, property rights, and three prong government. This means that society is loosely-knit, people look after themselves and immediate family, socialize frequently even with strangers, and rely less on authorities for support. The masculinity dimension scored all three countries within a range of seven points for the three countries. This shows that all of them strive on competition, achievement and success, with success being defined as the winner or best-in class. The United States scored 62, meaning citizens discuss their winning and success with others. Americans want to be praised for their accomplishments and without recognition, they feel as if they have not completely won. Uncertainty avoidance scored the lowest for the United States of the three countries naturally. America encourages the public to express themselves. This brings new ideas and innovation. Also the United States is on a platform to explore new frontiers from several different industries from technology to food. There is a high level of freedom in America which allows this ability for Americans to express feelings even if unpopular. Mexico and the United States scored in the 20's for long term orientation compared to Germany's score of 83. Americans are practical and prone to fact check new information. Americans have a strong moral opinion. Some polar issues include abortion, drugs, sexuality, and religion. The quest for innovation helps the GDP grow with every new technology or process improvement. The last of the 6 dimensions is indulgence which places America between Germany's low score and Mexico's higher score. The United States contradictory attitudes and behaviors reflected from this score include: working hard and playing hard. The model reflects how the cultures relate and respond

to differences. Every customer service organization plans how to represent their brand, and appeal to their customer segment. The client experience is positively correlated to profits or the value of a firm. The ultimate goal of a business is to create shareholder value. The most admired companies create strategic initiatives to enhance employee engagement as well. This plan must be a priority for top management. Without this support and accountability, excellent customer service will not happen. Companies measure their progress with external reputation website reviews and internal customer surveys. Data is collected to fine tune changes. It is also important to make sure that employee resources and technology support the employees' job effectiveness. Feedback must be timely and specific. It is important to be willing to adjust these plans as needed and to do honest review employee and customer engagement. Building strong customer service is important for all companies today in this global economy.

Since customer have limitless choices to interact across the world, firms should apply Hofstede's cultural dimensions model to their customer service and ethics training. Customer service policy should incorporate the firms' ethical standards. However the location of the company and employees will determine the implementation of the policy and how it is socialized. The culture will dictate how you would want the customer service employee to interact with others and collect feedback. Mexico is becoming more industrialized, however, there is still a difference when approaching customer service. In the United States, consumers have the attitude of "time is money" which leads to urgency for concern resolution and anticipatory service. Before creating a customer service organization for a multinational corporation, managers should study their human capital including their background, knowledge and various cultural perspectives. Managers will need to be well versed in the cultural differences within each country's current and target customer including each ethical framework. Hofstede's 6D model of the United States and Mexico concerning working within the customer service realm of the business shows extreme differences between the United States and Mexico. The power structure is rigid in Mexico. Customer service representatives in Mexico, will probably not be able to go outside of the structure and make any decisions. The employee will probably need to go to a supervisor to get a decision. Customer Service in the United States is different upon first contact, it allows for individualism for this person to be able to give a resolution to many of the questions that will need to be addressed. Masculinity is another of Hofstede's cultural dimensions. In the United States, gender roles have become blurred, and in Mexico the binary genders remain the tradition. Subsequently the field of customer service is dominated by women as subordinates and men as supervisors. The United States is much different where these roles will vary on gender in both hierarchy structure of the office. Individualism in the United States is very high compared to other countries. Someone working in customer service will make more creative choices to solve problems compared to an employee in Mexico. Without any autonomy, an employee will use a script and follow group guidelines. In each model, these two countries are opposite on the spectrum. Suggestions for future research can come from the research of the Carlands and the Carrahers.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koironen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carpenter, C. & Carraher, S. M. (2007). An examination of the reliability of a measure of Porter's five factors model among business leaders. *International Journal of Family Business*, 4 (1), 87-90.
- Carraher, C. & Carraher, S. (1996). ISO 9000 - An industrial management tool. *Polymeric Materials Encyclopedia* (Vol. 5 pages 3481-3484) edited by J. Salamone, Boca Raton, FL: CRC Press.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2010). Metal-containing polymer structures for enhancing seed germination and plant growth. *Advances in Environmental Biology*, 4 (1), 108-116.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2011). Plant growth hormone-containing polymers for enhanced seed germination and plant growth. *Journal of Polymeric Materials*, 28 (2), 287-301.
- Carraher, C., Gaonkar, A., Stewart, H., Miao, S., & Carraher, S. (1998). Structural characterization and effects of Gibberellic acid-containing Organotin polymers on sawgrass and cattail germination and seedling growth for everglades restoration. In *Tailored Polymeric Materials for Controlled Delivery Systems* (pages 295-308) edited by Iain McCulloch and Shalaby W. Shalaby, Washington, DC: American Chemical Society & Oxford University Press.
- Carraher, C., Stewart, H., Carraher, S., Chamely, Learned, W., Helmy, J., Abey, K., & Salamone, A. (2002). Condensation polymers as controlled release materials for enhanced plant and food production: Influence of

- gibberellic acid and gibberellic acid-containing polymers on food crop seed. In *Functional Condensation Polymers* (Chapter 16, pages 223-234) edited by Charles E. Carraher, Jr. & Graham G. Swift, New York: Kluwer Academic/Plenum Publishers
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S. , Gibson, J., & Buckley, M. (2006). Compensation satisfaction in the Baltics and the USA. *Baltic Journal of Management*, 1 (1), 7-23.
- Carraher, S., Hart, D., & Carraher, C. (2003). Attitudes towards benefits among entrepreneurial employees. *Personnel Review*, 32 (6), 683-693.
- Carraher, S. & Huang, L. (2003). Entrepreneurship: A Global View. *Business English* (pgs 243-268) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S. & Huang, L. (2003). Human Resource Management. *Business English* (Unit 5, 75-96) edited by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press.
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Human Resource Management. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 60 to 80].
- Carraher, S.M., Huang, L., & Buckley, M.R. (2010). Entrepreneurship: A Global View. In *Business English* 2nd Edition by Lei, Yalin & Parnell, John, Beijing, China: Higher Education Press [pages 194-220].
- Carraher, S., Mendoza, J., Buckley, M., Schoenfeldt, L., Carraher, C. (1998). Validation of an instrument to measure service orientation. *Journal of Quality Management*, 3, 211-224.
- Carraher, S.M. & Paridon, T. (2008/2009). Entrepreneurship journal rankings across the discipline. *Journal of Small Business Strategy*, 19 (2), 89-98.
- Carraher, S.M., Paridon, T., Courington, J., & Burgess, S. (2008). Strategically teaching students to publish using health care, general population, and entrepreneurial samples. *International Journal of Family Business*, 5 (1), 41-42.
- Carraher, S. & Parnell, J. (2008). Customer service during peak (in season) and non-peak (off season) times: A multi-country (Austria, Switzerland, United Kingdom and United States) examination of entrepreneurial tourist focused core personnel. *International Journal of Entrepreneurship*, 12, 39-56.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S. & Sullivan, S. (2003). Employees' contributions to quality: An examination of the Service Orientation Index within entrepreneurial organizations. *Global Business & Finance Review*, 8 (1) 103-110.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt Publishing [2nd Edition [2015].
- Carraher, S. & Whitely, W. (1998). Motivations for work and their influence on pay across six countries. *Global Business and Finance Review*, 3, 49-56.
- Carraher, S.M., Yuyuengwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.

- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Deng, F.J., Huang, L.Y., Carraher, S.M., & Duan, J. (2009). International expansion of family firms: An integrative framework using Taiwanese manufacturers. *Academy of Entrepreneurship Journal*, 15 (1), 25-42.
- Hart, D. & Carraher, S. (1995). The development of an instrument to measure attitudes towards benefits. *Educational and Psychological Measurement*, 55 (3), 498-502.
- Huang, L.Y. & Carraher, S. (2004). How effective are expatriate management and guanxi networks: Evidence from Chinese Industries. *International Journal of Family Business*, 1 (1), 1-23 .
- Huang, L. & Carraher, S. (2009) China [an Area Studies Chapter]. In S. Carraher & D. Welsh (Eds). *Global Entrepreneurship*.
- Lester, D., Parnell, J., & Carraher, S. (2003). Organizational life cycle: A five-stage empirical scale. *International Journal of Organizational Analysis*, 11 (4), 339-354.
- Lester, D., Parnell, J.A. & Carraher, S.M. (2010). Assessing the desktop manager. *Journal of Management Development*, 29 (3), 246-264.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Seladurai, R. & Carraher, S.M. (2014). *Servant Leadership: Research and Practice*. IGI Global Business Science Reference.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Carraher, S.M., Baker, L., Cochrane, D., & Robinson, F. (2009). The entrepreneurial dilemma: Grow or status quo?: A real case. *Journal of Applied Management & Entrepreneurship*, 14 (4), 37-53.
- Sullivan, S., Crocitto, M. & Carraher, S. (2006). Chapter 4 The fundamentals of reviewing. In Y. Baruch, S. Sullivan, & H., Schepmyer (Eds). *Winning Reviews: A Guide for Evaluating Scholarly Writing*. Palgrave Macmillan. Pp 65-78.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.

- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.
- Welsh, D.H. & Carraher, S.M. (2011). *Case Studies in Global Entrepreneurship*. Kendall Hunt P.
- Williams, M.L., Brower, H.H., Ford, L.R., Williams, L.J., & Carraher, S.M. (2008). A comprehensive model and measure of compensation satisfaction. *Journal of Occupational and Organizational Psychology*, 81 (4), 639-668.
- Yuyuenyongwatana, R. & Carraher, S.M. (2008/2009). Academic journal ranking: Important to strategic management and general management researchers? *Journal of Business Strategies*, 25 (2), 1-8

FRANCE, JAPAN, MEXICO, & THE USA: CULTURAL DIFFERENCES & STRATEGIC PLANNING

Victoria Braud, University of Texas at Dallas
Tyson Frederick, University of Texas at Dallas
Nolan Harvey, University of Texas at Dallas
Chiang Leong, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

Coming from separate ends of the world, the countries of Japan and the United States both have differences and nuances in their cultures that manifest themselves in the ways individuals and companies perform in their respective countries. Cultural morals and ideals that date back from the birth of these countries have evolved over the centuries and now serve as an explanation as to how companies in Japan and the United States function in modern society through ethics and strategic customer service. According to Hofstede's cultural dimensions, one of the largest cultural differences between these two countries is uncertainty avoidance. Uncertainty avoidance specifically has to do with the way a society deals with the unknown and unpredictabilities in the future. Japan ranks quite high on the scale with a 92%. Being prepared and taking as much preventative measures as possible to minimize the most damage is something that Japan takes great efficiency in. Although these measures are apparent in emergency situations, they go beyond and are also present in daily tasks, rituals, and protocols. For example, most, if not every school in Japan has ceremonies that start and close the academic year and are celebrated/structured similarly. These types of structures in Japanese society, however, makes it hard to accept change. On the other hand, the U.S. scores a 46% in uncertainty avoidance. This is considered low. It reflects that there is a high acceptance and open mindedness for new ideas and encourage the freedom of expression. Although the U.S. has rules, unlike it Japan, it does not always strictly follow them to a tee. Instead, they tend to adapt to different views and incorporate other individual's experiences and opinions into decisions. Another dimension in which Japan and the U.S. differ greatly is individualism. Individualism refers to the degree of independence a society's members tend to express. Japan, like many eastern societies, scores low in this category with a 46%. Japan has a highly collectivist culture in which individuals grow up thinking and acting out of the interests of a group of people. Their self-image is based around what other people think of them and loyalty is an important aspect that exists in that concept. This may be present in work environments where loyalty is expected from a company's employees and building healthy relationships with one's coworkers and customers are essential. These building of these bonds benefit the company as a whole rather than any one individual. In contrast, the U.S., as well as a lot of western cultures, tend to think on a more individualistic basis. The U.S. scores a high 91% in this dimension. People from these cultures are only expected to look after themselves and their

direct family and their self-image is defined through their own individual opinions. This can be clearly translated in the American workplace in which each individual paves their own way to success that is usually credited to one person rather than a whole group of people. The analysis using two of Hofstede's six dimensions, uncertainty avoidance and individualism, clearly shows the roots of how Japanese culture vastly differs from that of the U.S. and the ways in which both differ in the customer service industry. While Japan is internationally recognized for its outstanding customer service, the U.S. ranks lower due to how these two dimensions play into each culture. One of the sayings that refers to the nature of customer service in Japan is "The customer is God." and it is shown through the ways individuals are ready to accommodate a customer and their politeness. The rules that are implemented and strictly followed are created to enhance and create an enjoyable and lasting relationship between worker and customer. Examples include workers being 100% attentive to their customers, not visibly checking their phones on shift, not eating while they are working, and etc. Although American culture has similar rules implemented, the reality is that they are not as strictly followed than they are in Japan. The concepts in American customer service industry is different. Instead of the customer "being God", each worker and customer prioritize the concept of being treated with respect as an individual. This takes into account the hardships a worker experiences and their perspectives in a working environment, and adapts what is socially acceptable despite the rules. For instance, a worker might be bored and has a few more hours left of work. It is socially acceptable for them to check their phone instead of having all their attention and focus be directed to the customers at all times because it is not expected for someone to do so in American culture. Even if it is frowned upon, it is not as unacceptable to do so as it is in a Japanese society. These differences in these two cultures have made their way into the way companies are built, how they perform, and company ethics. Being aware of the original concepts in which company values and goals stem from is crucial to understanding the way they want to succeed and the actions they currently take. When doing business globally the leaders and executives should take significant responsibility in understanding the complex elements that are at play within a country's society. The elements that we will focus on in this discussion will be the ethics that are built in a country, the analysis of country based upon Hofstede six dimensions, and the strategic customer service that the country has. The countries of analysis will be Japan and Mexico and the goal will be to see if any comparisons come between the two of these. In analyzing Mexico one element that plays a significant role in the ethics and personality of people of Mexico is history and lineage. In my research a common trend discussed in articles reviewed is the pride that the people have in talking and conversing about where they came and how they came to be. This pride is strong amongst the culture of Mexico and is a great way to interact and begin to build relationships with anyone from this area. One red flag that was discovered was the unethical decisions and activities that leaders of organizations and governments participate in. This finding is something anyone doing business in this country should take into consideration and use in their decision making process. The Japanese tend to strive to the more ethical side of the coin having a stricter and rule following standard built into their society. When comparing the two countries based on Hofstede's 6 dimensions two components bring significant value to understanding the two. When looking at indulgence the Japanese score on the lower end of the scale which tells us that they are a restrained

society that don't put much participation into leisure time and indulgencing one's self could be seen as a negative. On the other hand, Mexico is higher on the scale having less restraint on the people of the society. When it come to the long term orientation of the countries Mexico has a tendency to care about the present rather the long term effects and benefits of the future. In Japan the have strong emphasis on acting in regards to benefiting the future, which is a reason behind there high number. The Japanese culture tend to have a high quality customer satisfaction in their retail and service sector. They strive the premium quality for the customer even in the most average type of retail areas and services. In Mexico the quality of service strongly lacks on the customer service side. When comparing the United States and France, there are notable differences that must be considered developing a strategic plan to be used in the two countries. The marketing strategies must differ because the countries and their citizens have different goals and values. One important note is that the masculinity factor is stronger in the United States than it is in France. This will play into the marketing strategies. The United States values strength and ruggedness while France might tend towards a more refined approach. Shoes for men should in the united states should show how they can be used during times of hard work like farm work, construction, working out; things that will show sweat, grit, and men who are not considered scrawny. Shoes sold to men in France might be shown doing everyday things like walking around the city, running to catch a bus, being worn while riding a bike, grabbing coffee, etc. France is more geared towards planning for the long run so if you are advertising shoes you should be sure to show that they will last. Advertisements can be shown where shoes get wet in the rain and are still ok. Car commercials should emphasize not only use for the consumer but also demonstrate how a consumer can pass it down to their children. If not to their children, commercials should show the many users a car will have as it goes through its life cycle. The United States is less concerned with the future. Therefore, commercials, though still beneficial, need not show how durable a good may be unless it is beneficial to show how they can be used while working. France still ranks highly in individualism but not as high in the United States. This is an important consideration when deciding how many versions a company wants to release in the country. Nike, for instance, sells many different versions of their shoes. They have their best sellers that they can sell for more, but they cater to multiple price ranges and multiple styles. France's high rating in individualism will call for different styles to be sold, but not quite as many as the United States would require. This applies not only to shoes, but also to other items like: furniture, cars, clothing, notebooks, etc. As far as cars and other high end products, it would be beneficial to consider customization options. Employees from France are less likely to be comfortable with taking on risk than Americans are. Investments must be made accordingly. Although there would be resistance to taking on risky ventures in France, France tends to be more long term oriented. Therefore, they may be more willing to invest their money in exchange for future benefits than Americans might. The final factor to consider is indulgence. Americans will be far more likely to indulge than citizens of France. This leads to a higher purchasing rate in the United States of more expensive products that are higher end if they are considered popular by the general public. Items that are more for times of leisure like TV accessories or decorative objects would do well. In France, there might be less land owned by individual people so space might be an issue. Leisure objects like large fireplaces or bulky leather furniture will not be as popular. High end useful products would

do well here, but keep in mind that if they do not serve an actual purpose they are less likely to be purchased. According to Hofstede's 6-D model, Japan ranks very high on the masculinity scale. This means their society is driven by competition and success. Japan has been ranked as one of the most masculine counties in the world. In Japan, there is an immense amount of competition between groups and less displays of assertive individualistic behaviors. Whereas, France is the opposite. France is ranked as having a feminine culture. Instead of being driven by competition and success, their society places a higher value on the quality of life and caring for others. However, it is interesting to know that there is gap of femininity within the French culture. The upper class is the one that actually scores as feminine and the lower working class scores as masculine. France's ethics are grounded in their laws and values, as opposed to stemming from traditions based on religious beliefs. Laws and regulations are the guidelines when it comes to business ethics in France. If an act does not violate the countries laws, it is seen as acceptable. In Japan, ethics derive from religion and philosophy. Religion is the foundation from which philosophical ideas grow from. Religious influencers have a major impact on the daily actions within the Japanese society. Japan has a respectable reputation of providing good customer service. This is the result of many expectations from the Japanese. They believe in the highest quality, whether it be in their products or their communications and interactions. Furthermore, they will assign one contact to an account, ensuring there is consistency in communications and thereby lowering their risk. Additionally, they are known to be quick and responsive to your care. France on the other hand, has a reputation of poor customer service. This is mainly because they are huge tourist country, and many of the locals do not favor the tourists. However, if customers respect the French culture and act as a well behaved customer, they will receive good customer service in response. When comparing the United States and France, there are notable differences that must be considered developing a strategic plan to be used in the two countries. The marketing strategies must differ because the countries and their citizens have different goals and values. One important note is that the masculinity factor is stronger in the United States than it is in France. This will play into the marketing strategies. The United States values strength and ruggedness while France might tend towards a more refined approach. Shoes for men should in the united states should show how they can be used during times of hard work like farm work, construction, working out; things that will show sweat, grit, and men who are not considered scrawny. France is more geared towards planning for the long run so if you are advertising shoes you should be sure to show that they will last. Advertisements can be shown where shoes get wet in the rain and are still ok. Car commercials should emphasize not only use for the consumer but also demonstrate how a consumer can pass it down to their children. If not to their children, commercials should show the many users a car will have as it goes through its life cycle. The United States is less concerned with the future. Therefore, commercials, though still beneficial, need not show how durable a good may be unless it is beneficial to show how they can be used while working. France still ranks highly in individualism but not as high in the United States. This is an important consideration when deciding how many versions a company wants to release in the country. Nike, for instance, sells many different versions of their shoes. They have their best sellers that they can sell for more, but they cater to multiple price ranges and multiple styles. France's high rating in individualism will call for different styles to be sold, but not quite as many

as the United States would require. This applies not only to shoes, but also to other items like: furniture, cars, clothing, notebooks, etc. As far as cars and other high end products, it would be beneficial to consider customization options. Cars especially are popular for customization but this might not be as high of a priority in France as it is in the United States. Furniture that can be changed to look different or serve multiple purposes would also do well. In the end, customization or multiple styles will be a beneficial strategy to many different products in both of these countries. In a business environment, France is used to a much higher level of distance between their power structures. This is an important consideration in both a corporate environment and at the store level. Corporate structures and the respective cultures are an important consideration in deciding where to incorporate or where to make a company's headquarters. This generally applies to companies just starting up. Generally, one would make their headquarters in the owner's home country. However, factors such as tax benefits, rent rates, etc. may persuade a company owner otherwise. If an owner is faced with a decision, he or she must consider how the headquarters would be run. Another factor to consider when making your strategic plan is uncertainty avoidance. This will be a prevalent issue that one must consider especially in the corporate setting. Employees from France are less likely to be comfortable with taking on risk than Americans are. Investments must be made accordingly. Depending on the type of company you operate; partnership, corporation, LLC, etc., this could affect your company's ability to take on debt and expand into risky endeavors. The extent that this would have on your investment plans would depend on how much control your employees, executives, or shareholders have over the company. This would be another area to consider when deciding where to place your headquarters. The final factor to consider is indulgence. Americans will be far more likely to indulge than citizens of France. This leads to a higher purchasing rate in the United States of more expensive products that are higher end if they are considered popular by the general public. Items that are more for times of leisure like TV accessories or decorative objects would do well. In France, there might be less land owned by individual people so space might be an issue. Leisure objects like large fireplaces or bulky leather furniture will not be as popular. High end useful products would do well here, but keep in mind that if they do not serve an actual purpose they are less likely to be purchased.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.

CHINA AND THE USA: CULTURAL DIFFERENCES AND BUSINESS STRATEGY

Isabella Kuo, University of Texas at Dallas
Xiongpei Liu, University of Texas at Dallas
Jacob Walker, University of Texas at Dallas
Chenyan Wu, University of Texas at Dallas
Akanksha Dhote, University of Texas at Dallas
Robert Opdyke, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

Hofstede's 6 cultural dimensions gives a description of a multitude of countries on major societal factors that largely make up the culture. China and the United States vary on many of these dimensions, leading to cultural differences that affect businesses on a position and industry level. When we compare the 6-D model between China and America we can get a good overview on how the cultures affect their business worlds.

In Hofstede's 6-D model, Power Distance deals with power relationships amongst superiors and their subordinates and expresses the attitude of the culture towards these inequalities. In terms of power distance China is ranked fairly high (rank 80), whereas America is ranked fairly low (rank 40). This difference can be seen within the power structures among organizations and in terms of employee-employer relationships in each country. In America, employees respect their superiors but are welcome to provide input and discuss ideas with their superiors and employers given the correct circumstances. In America the employer/employee relationship can also be very casual, with possible friendships between individuals and their bosses. However, there are still some formalities between bosses and employees as they are not perfectly equal peers. For example, employees are expected to respect their employer's decisions, even if they do not agree with it. Superiors in a company are also entrusted with more power and responsibility than their lower level counterparts. China's idea of power distance is decidedly different from the United States'. China's high ranking in Power Distance expresses the fact that society believes that inequalities amongst people are acceptable. A friendship between an employer and their employee is much less likely; instead, they will maintain a more respectful, business-like relationship. High level individuals in China must be treated with much more formality and respect, and there is no defense against power abuse by superiors. Employees are not expected to challenge a superior's orders and are expected to simply follow them. In fact, employees in China are more likely to agree with someone just because there is an understood power difference, leading to ethical issues. Similarly, extra input outside of their usual scope is frowned upon, and thus is not commonplace. Employees are also less likely to improve their position in a company as quickly as their American counterparts.

Individualism on the Hofstede's 6 cultural dimensions is related to the interdependence of members in society. A high rating on this scale means that individualism is valued, while a low rating means that a culture is more group focused. China's rating on this scale is low (rank 20), while America sits at the opposite end of the spectrum (rank 91). The large difference in ratings can be visualized by looking at the values of organizations within each respective country. Companies in China are more concerned with the groups performances than the individual's capabilities. One member of a group can do all the work and all the others can do very little but all members will be treated the same and considered identical when it comes to benefits. Additionally, collegial relationships between in-groups in China are greatly loyal but those relationships sour and become hostile when looking at out groups. The United States is more individual-focused, and those individuals that work hard will reap the benefits. Within the business world, American employees are expected to be self-reliant.

America and China are very similarly ranked when it comes to the Masculinity dimension of Hofstede's model. Both score in the mid 60's, higher ranks that demonstrates that their respective societies are driven by competition, achievement, and success. However, there are poignant differences between the two countries even though this rank is similar. Although both countries value success and achievement, it is much easier to move up the corporate "food chain" in America, and the "winner takes all" mentality is taught and internalized from a very early age.

Hofstede's Uncertainty Avoidance dimension expresses how people of different societies feel about uncertainty and ambiguity. A high score on this scale represents a society with a need for control with strict codes and beliefs while a low score on this scale represents a more relaxed culture. Both the United States and China both have lower ranks on the Uncertainty Avoidance dimension of Hofstede's 6-D Model, where America ranks 46 and China ranks 30. This dimension could have very interesting implications when looking at its relation to other dimensions of Hofstede's 6-D Model. An example can be given when looking at the relationship between Uncertainty Avoidance and Masculinity. A correlation between a very high Masculinity ranking with a low Uncertainty Avoidance ranking may be explained because more highly Masculine societies consist of individuals who are entrepreneurs in spirit and enjoy taking large risks for which they must be comfortable with not knowing the future, which is representative of a low Uncertainty Avoidance ranking.

Hofstede's Long-term Orientation dimension represents how a society maintains its connection with its past while facing challenges in the present and future. China and America place on opposite ends of the scale for this dimension, where China is ranks 87 and America ranks 26. China's high ranking represents their pragmatic, forward-focused culture. As a society, China is more likely to wait and delay short-term material or social success to prepare for the future. Employees are thus more willing to stay at low-paying jobs if the promise or potential for making more in the future is likely. In China, saving, thriftiness, and high market positions are encouraged and leisure time or work-life balance are considered with little importance. On the other hand, America's low ranking represents their preference to maintain tradition and the status quo as well as their suspicion towards societal change. American society is more focused on the past and the present and consider them more important than the future, where employees are more likely to care more about immediate gratification and fulfilling their social obligations. In terms of

business, a low ranking in the Long-term Orientation dimension expresses the importance of the bottom line in tandem with encourage work-life balance and having enough leisure time. This low score represents America's focus on quick results and short-term investments. Indulgence, the final and most recently added dimension in Hofstede's 6-D model, is described as the degree to which a society tries to control their desires. China has a very low score, meaning that their society is highly restrained by strict social norms. Chinese culture is one that encourages citizens to be extremely disciplined and diligent, leading to a very productive society with little time for leisure. America on the other hand, is nearly the polar opposite of this with a high ranking Indulgence score. A good-sized portion of any persons given income goes to leisure time and pleasure-seeking activities, and work-life balance is highly emphasized in American culture. Additionally, American society focuses more on freedom of speech and greater control over personal destiny. When it comes to strategic management, organizations must take all of these dimensions in mind when considering organizational structure, direction, values, and missions. All of these dimensions contribute to a very complex set of societal standards that is specific to each country, meaning that organizations must adapt to societal norms or struggle and perish.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.

- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carpenter, C. & Carraher, S. M. (2007). An examination of the reliability of a measure of Porter's five factors model among business leaders. *International Journal of Family Business*, 4 (1), 87-90.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Deng, F.J., Huang, L.Y., Carraher, S.M., & Duan, J. (2009). International expansion of family firms: An integrative framework using Taiwanese manufacturers. *Academy of Entrepreneurship Journal*, 15 (1), 25-42.
- Francis, D., Huang, L., & Carraher, S. (2004). Top management teams and friendship: Results from the USA and Taiwan. *International Journal of Family Business*, 1 (1), 73-86.
- Hart, D. & Carraher, S. (1995). The development of an instrument to measure attitudes towards benefits. *Educational and Psychological Measurement*, 55 (3), 498-502.
- Huang, L.Y. & Carraher, S. (2004). How effective are expatriate management and guanxi networks: Evidence from Chinese Industries. *International Journal of Family Business*, 1 (1), 1-23.
- Huang, L. & Carraher, S. (2009) China [an Area Studies Chapter]. In S. Carraher & D. Welsh (Eds). *Global Entrepreneurship*.
- Karsteter, K., Brown, N., & Carraher, S. (2006). From the Artist's hand: Managing arts and crafts businesses. *International Journal of Family Business*, 3 (1), 69-78.
- Keyes, C., Vinson, T., Hay, S. & Carraher, S. M. (2007). Parrish photography Part 1: Strategic Ethical Leadership. *International Journal of Family Business*, 4 (1), 67-82.
- Krishnan, V.S., Duan, J., Carraher, S.M., & Chan, S. (2007). GPS Real Estate Services. *Journal of Applied Management & Entrepreneurship*, 12 (4), 51-59.
- Lester, D., Parnell, J., & Carraher, S. (2003). Organizational life cycle: A five-stage empirical scale. *International Journal of Organizational Analysis*, 11 (4), 339-354.
- Lester, D., Parnell, J.A. & Carraher, S.M. (2010). Assessing the desktop manager. *Journal of Management Development*, 29 (3), 246-264.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Parnell, J. & Carraher, S. (2001). The role of effective resource utilization in strategy's impact on performance. *International Journal of Commerce and Management*, 11 (3), 1-34.
- Parnell, J. & Carraher, S. (2002). Passing the buck: Managing upward delegation in organizations. *Central Business Review*, 21 (1), 20-27.

- Parnell, J. & Carraher, S. (2003). The Management Education by Internet Readiness (MEBIR) scale: Developing a scale to assess one's propensity for Internet-mediated management education. *Journal of Management Education*, 27, 431-446.
- Parnell, J. & Carraher, S. (2005). Validating the management education by Internet readiness (MEBIR) scale with samples of American, Chinese, and Mexican students. *Journal of Education for Business*, 81 (1), 47-54.
- Parnell, J., Carraher, S., & Holt, K. (2002). Participative management's influence on effective strategic diffusion. *Journal of Business Strategies*, 19 (2), 161-180.
- Parnell, J. Carraher, S., & Odom, R. (2000) Strategy and Performance in the Entrepreneurial Computer Software Industry. *Journal of Business & Entrepreneurship*, 12 (3), 49-66.
- Parnell, J.A., Koseoglu, M.A., Behtas, C., & Carraher, S.M. (2010). Knowledge management, organizational communication and job satisfaction: An empirical test of a five-star hotel in Turkey. *International Journal of Leisure and Tourism Marketing*, 1 (4), 323-343.
- Parnell, J., Mintu-Wimsatt, A., & Carraher, S. (2002). Trust in Internet shopping and its correlates: A cross-cultural investigation. *The E-Business Review*, 2, 195-201.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Seladurai, R. & Carraher, S.M. (2014). *Servant Leadership: Research and Practice*. IGI Global Business Science Reference.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Carraher, S.M., Baker, L., Cochrane, D., & Robinson, F. (2009). The entrepreneurial dilemma: Grow or status quo?: A real case. *Journal of Applied Management & Entrepreneurship*, 14 (4), 37-53.
- Sullivan, S., Crocitto, M. & Carraher, S. (2006). Chapter 4 The fundamentals of reviewing. In Y. Baruch, S. Sullivan, & H., Schepmyer (Eds). *Winning Reviews: A Guide for Evaluating Scholarly Writing*. Palgrave Macmillan. Pp 65-78.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.
- Welsh, D.H. & Carraher, S.M. (2011). *Case Studies in Global Entrepreneurship*. Kendall Hunt P.
- Williams, M.L., Brower, H.H., Ford, L.R., Williams, L.J., & Carraher, S.M. (2008). A comprehensive model and measure of compensation satisfaction. *Journal of Occupational and Organizational Psychology*, 81 (4), 639-668.
- Yuyuenyongwatana, R. & Carraher, S.M. (2008/2009). Academic journal ranking: Important to strategic management and general management researchers? *Journal of Business Strategies*, 25 (2), 1-8

ETHICS: CANADA AND THE UNITED STATES OF AMERICA

Margarita Montellanos, University of Texas at Dallas

Yousuf Jiwani, University of Texas at Dallas

Jared Wettenstein, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

The US and Canada are very similar when it comes to ethics and Hofstede's model. When analyzing Hofstede's model, one can come to the conclusion that Americans and Canadians share a lot of the same values, and have similar mindsets. America and Canada's Power Distance are nearly identical at 39 and 40 respectively. This means that both countries challenge the fact that that power is distributed unequally. The reason for this is that the "followers", or the general workforce, are respected and have their voices heard. There is a mutual respect between bosses and employees and open communication.

Other areas the US and Canada are similar is Uncertainty Avoidance and Indulgence. Uncertainty Avoidance deals with how a country treats their past and handles their future. Canada scored a 48 while the US scored 46. American and Canadian cultures both have great respect and remembrance for their past, but look to control and shape their future, and not just let it pass by. Indulgence refers to a people's extent to control their desires. People can be seen as "indulging" in their desires, or can show restraint. The US and Canada both score 68 on this scale, meaning they are both more "Indulgent" cultures than not. In America's case this can be seen as hypocritical, as they tend to act conservative yet indulge in their vices. While America wages a war on drugs, several states have gone the opposite direction to legalize some of those drugs for medicinal and/or recreational use. Many respected people in society seem conservative and religious, yet are covered in scandals.

Americans and Canadians begin to differ slightly in regards to Individualism, Masculinity, and Long Term Orientation (LTO). The American government was created to be as small and limited as possible, while still doing its job. This means that Americans enjoy many freedoms, live how they want, and are concerned only about themselves and their immediate family. The US scored a 91 in Individualism but Canada was not far behind at 80. Masculinity means that a culture values winning, success, and being the best above all. Femininity deals with quality of life, happiness, and enjoying what you do. Hofstede's model shows that Canada is defined as a slightly moderate "Masculine" society at a value of 52. Canada supports caring for others and quality of life. US is higher on the masculinity scale at 62. Women leading in the US is low versus Canada, which is demonstrated in Trudeau's cabinet versus Trump's administration. Canada is ahead of the US in regards to LTO, with a score of 36 versus 26, respectively. Scoring low on LTO marks a society as "normative" which means they are resistance to change, and prefer to respect

traditions over encouraging modern efforts. Ideas for future research can be gained by a careful reading of the works of Buckley, the Carlands, Carraher, and Peng.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/PEXateCp818>

REFERENCES

- Ahmed, ZU., Zgheib, PH, Carraher, SM & Kowatly, AK. (2013) "Public policy and expatriate entrepreneurs", *Journal of Entrepreneurship and Public Policy*, Vol. 2 Iss: 1, pp.42 – 53.
- Baugh, S. Gayle, Sullivan, Sherry E., & Carraher, S.M. (2013). Global Careers in the United States. In *Careers without Borders: Critical Perspectives* by Reis, Chistina & Baruch, Yehuda Published by Routledge. [pages 297-322; Chapter 16].
- Bhattacharya, T.K. & Carraher, S.M. (2008). How to teach high school students about entrepreneurial finance: The Financial Challenge *International Journal of Family Business*, 5 (1), 69.
- Buckley, M.R., Carraher, S.M., Carraher, S.C., Ferris, G.R., & Carraher, C.E. (2008). Human resource issues in global entrepreneurial high technology firms: Do they differ? *Journal of Applied Management & Entrepreneurship*, 13 (1), 4-14.
- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Buckley, M., Mea, W., Weise, D., & Carraher, S. (1998). Evaluation change in public organizations: An Alpha, Beta, Gamma change perspective. In *Accountability and Radical Change in Public Organizations* (pages 229-241) edited by Ronald R. Sims, Westport, CT: Quorum Books.
- Buckley, M., Mobbs, T., Mendoza, J., Novicevic, M., Carraher, S., & Beu, D. (2002). Implementing realistic job previews and expectation lowering procedures: A field experiment. *Journal of Vocational Behavior*, 61 (2), 263-278.
- Budd, J. & Carraher, S. (1998). Validation of an inventory to measure attributes of strategic management. *Psychological Reports*, 82 (3 Pt 2), 1220-1222.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: Developing the next generation of leaders and entrepreneurs. *International Journal of Family Business*, 5 (1), 45-46.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: How to develop the next generation of leaders and entrepreneurs at your university. *International Journal of Family Business*, 5 (1), 65-66.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.

- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. (1991). A validity study of the pay satisfaction questionnaire (PSQ). *Educational and Psychological Measurement*, 51 (2), 491-495.
- Carraher, S. (1991). On the dimensionality of the pay satisfaction questionnaire. *Psychological Reports*, 69 (3 Pt. 1), 887-890.
- Carraher, S. (1992). *PSY 3363: Industrial Psychology*. Norman, OK: U. of Oklahoma.
- Carraher, S. (1993). Another look at the dimensionality of a learning style questionnaire. *Educational and Psychological Measurement*, 53 (2), 411-415.
- Carraher, S. (1995). On the dimensionality of a learning style questionnaire. *Psychological Reports*, 77 (1), 19-23.
- Carraher, S. (2000). Pressing Problems in Modern Organizations (That Keep Us Up At Night). *Journal of Leadership Studies*, 7 (3), 136-138.
- Carraher, S. (2003). The father of cross-cultural research: An interview with Geert Hofstede. *Journal of Applied Management & Entrepreneurship*, 8 (2), 97-106.
- Carraher, S. (2005). An Examination of entrepreneurial orientation: A validation study in 68 countries in Africa, Asia, Europe, and North America. *International Journal of Family Business*, 2 (1), 95-100.
- Carraher, S. (2006). Felt fair pay of small to medium sized enterprise (SME) owners in Switzerland: An examination of Jaques' equity construct. *Journal of International Business and Entrepreneurship Development*, 3 (1/2), 109-120.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.
- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.
- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.

- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.

- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Parnell, J. & Carraher, S. (2001). The role of effective resource utilization in strategy's impact on performance. *International Journal of Commerce and Management*, 11 (3), 1-34.
- Parnell, J. & Carraher, S. (2002). Passing the buck: Managing upward delegation in organizations. *Central Business Review*, 21 (1), 20-27.
- Parnell, J. & Carraher, S. (2003). The Management Education by Internet Readiness (MEBIR) scale: Developing a scale to assess one's propensity for Internet-mediated management education. *Journal of Management Education*, 27, 431-446.
- Parnell, J. & Carraher, S. (2005). Validating the management education by Internet readiness (MEBIR) scale with samples of American, Chinese, and Mexican students. *Journal of Education for Business*, 81 (1), 47-54.
- Parnell, J., Carraher, S., & Holt, K. (2002). Participative management's influence on effective strategic diffusion. *Journal of Business Strategies*, 19 (2), 161-180.
- Parnell, J. Carraher, S., & Odom, R. (2000) Strategy and Performance in the Entrepreneurial Computer Software Industry. *Journal of Business & Entrepreneurship*, 12 (3), 49-66.
- Parnell, J.A., Koseoglu, M.A., Behtas, C., & Carraher, S.M. (2010). Knowledge management, organizational communication and job satisfaction: An empirical test of a five-star hotel in Turkey. *International Journal of Leisure and Tourism Marketing*, 1 (4), 323-343.
- Parnell, J., Mintu-Wimsatt, A., & Carraher, S. (2002). Trust in Internet shopping and its correlates: A cross-cultural investigation. *The E-Business Review*, 2, 195-201.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.

- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.

CHINA AND THE USA: ENTREPRENEURIAL ETHICAL DIFFERENCES

Amr AbdelMotelb, University of Texas at Dallas
Sam Hawkins, University of Texas at Dallas
Mary Feather, University of Texas at Dallas
Heather Hambelton, University of Texas at Dallas
Michael Glew, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

Using Hofstede's six cultural dimensions to analyze the differences and similarities between the United States of America and China shows that stereotypes of American culture compared to that of Chinese culture come from a place of truth. Hofstede's dimensions include: power distance, individualism, masculinity, uncertainty avoidance, long-term orientation, and indulgence. According to the Geert Hofstede website, power distance expresses "the attitude of the culture toward these power inequalities amongst us". Individualism is "the degree of interdependence a society maintains among its members". Masculinity is "what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine)". Uncertainty avoidance is "the way that a society deals with the fact that the future can never be known". Long-term orientation refers to "how every society has to maintain some links with its own past while dealing with the challenges of the present and future". Last, but not least, indulgence measures "the extent to which people try to control their desires and impulses".

The United States ranks very high on power distance, meaning that they are aware of the inequalities between managers and employees, yet they are okay with it. It is a comfortable separation, that allows managers to have more control in certain situations where it may be necessary. China's power distance score is half of the United States', meaning that they have fewer situations of inequality between managers and their employees. This comes from their lack of individualism, compared to the very high level of individualism that the United States exhibits. China has a collectivist culture that focuses on what is good for the whole, for everyone in a group, not just for one person. It is more of a "survival of the fittest" mentality compared to that of Chinese culture. Americans work together to get jobs done, but much of their effort is focused on themselves and what is the best course of action, but not necessarily for the whole group.

When looking at Hofstede's masculinity dimension, we see that China and the United States have very similar views as far as competition and ambition. Both cultures appear to be very competitive by nature, though they may go about their efforts in different ways. Again, with the individualist outlook of Americans, it stands to reason that they would be highly competitive, wanting to be their best selves and wanting to earn as much money, credit, or praise as they can. In China, they want the same things, though they are generally working together to achieve their

goals rather than competing against one another. Another aspect of Hofstede's cultural dimensions that the United States and China are similar on is uncertainty avoidance. This dimension is not quite as closely rated for each country, but it is close enough to assume that both countries' culturally feel as though the future is uncertain and we make it what we do by the actions we take and the effort we put in as human beings. With this uncertainty comes the need for preparation, which China seems to take very seriously, with a heavy focus on the long-term orientation. Chinese people are known to have years' worth of plans ready ahead of time, whereas the United States focuses on a year or a few years at a time, but nothing major and involved the way that China does. Part of the reason for this may come from the high level of indulgence that the United States has, versus the low level of China's indulgence. In the United States, the selfishness of being individualistic is accompanied by the need for gratification quickly and often. This can be beneficial in some settings, however there is always a downside to every quality. Chinese people reward themselves for hard work, though not necessarily as often or in as extravagant of ways as people of the United States. Ethics should be one of the most important aspects of a major business. Ethics are the code of conduct that keep companies and individuals honest. It varies from region to region, in terms of perception. For example, in another country, it may be the norm for companies to give gifts to executives they are interested in doing business with, but if this offer were given to an American executive, they might decline, so it is not seen as a bribe. The dimensions of power distance, individualism, masculinity, uncertainty avoidance, long term orientation, and indulgence. For example, in the United States and China, Masculinity are almost equally important. However, other dimensions are staggeringly different. The United States score on individualism was 91 while China merely scored 20. This makes sense, because Americans want to be their own bosses and make their own decisions, while people in China may care more about the collective effort in society. Every country is different in culture. Hofstede makes it easy to break down these differences. By being able to compare these differences online, the resource makes it easy. Some of the differences and similarities are surprising.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/I3O15faAwSA>

REFERENCES

- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, *52* (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, *6* (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, *9* (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, *83*, 452-461.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, *2*(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, *1*(2), 76-79.

- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. (1991). A validity study of the pay satisfaction questionnaire (PSQ). *Educational and Psychological Measurement*, 51 (2), 491-495.
- Carraher, S. (1991). On the dimensionality of the pay satisfaction questionnaire. *Psychological Reports*, 69 (3 Pt. 1), 887-890.
- Carraher, S. (1992). *PSY 3363: Industrial Psychology*. Norman, OK: U. of Oklahoma.
- Carraher, S. (1993). Another look at the dimensionality of a learning style questionnaire. *Educational and Psychological Measurement*, 53 (2), 411-415.
- Carraher, S. (1995). On the dimensionality of a learning style questionnaire. *Psychological Reports*, 77 (1), 19-23.
- Carraher, S. (2000). Pressing Problems in Modern Organizations (That Keep Us Up At Night). *Journal of Leadership Studies*, 7 (3), 136-138.
- Carraher, S. (2003). The father of cross-cultural research: An interview with Geert Hofstede. *Journal of Applied Management & Entrepreneurship*, 8 (2), 97-106.
- Carraher, S. (2005). An Examination of entrepreneurial orientation: A validation study in 68 countries in Africa, Asia, Europe, and North America. *International Journal of Family Business*, 2 (1), 95-100.
- Carraher, S. (2006). Felt fair pay of small to medium sized enterprise (SME) owners in Switzerland: An examination of Jaques' equity construct. *Journal of International Business and Entrepreneurship Development*, 3 (1/2), 109-120.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.

- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.
- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.
- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher SM. (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1.
- Carraher Shawn , (2014) "Dutton, management philosophy, realistic job previews, and Weber", *Journal of Management History*, Vol. 20 Iss: 2.
- Carraher Shawn , (2014) "Kathryn Harrigan, Management History, and Michael Peng", *Journal of Management History*, Vol. 20 Iss: 3.
- Carraher Shawn M. , (2014) "AACSB standards, Academy of Management and 3000 Citations", *Journal of Management History*, Vol. 20 Iss: 4.
- Carraher, SM (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1
- Carraher, SM. (2015). "Denise Rousseau, 20 Years of the JMH, and goodbye" *Journal of Management History* 21 (4).
- Carraher, SM. (2015). "4000 citations for the JMH and Strategic IQ". *Journal of Management History* 21 (3).
- Carraher, SM. (2015) "Signaling intelligence, signaling theory, Project A, and excellent management history research", *Journal of Management History*, Vol. 21 Iss: 2
- Carraher, SM. (2015) "Objectivism, Lyman Porter and ethical leadership", *Journal of Management History*, 21 (1).
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.

- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.

- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.

IMPACT OF ENTERPRISE RESOURCE PLANNING SYSTEMS ON ACCOUNTING INFORMATION SYSTEMS

J Rajendran Pandian, Virginia State University, VA 23806

Hari Sharma, Virginia State University, VA 23806

ABSTRACT

There has been a major shift in the field of accounting which can be observed in both financial and management accounting systems. There are many reasons for such a shift such as technological changes (availability of Enterprise Resource Planning (ERP) system like SAP) that make data available in real-time and availability of “big data” which can be used to benchmark your firm (increased computer capability to handle large volume of data coupled with firms specializing on collecting a large pool of data on preferences, biographical information and decision frameworks from large pools of consumers and firms), intense competition demanding accurate assessment of cost (emergence of activity-based costing systems), the attractive potential for integrating financial accounting system and management accounting system and the International Financial Reporting System (IFRS) leaning towards fair value based accounting instead of traditional historical cost based accounting. In this paper, we review the literature on the impact of ERP systems on the shift from traditional cost based system to fair value based systems and present our conclusions along with our view on the future direction for research.

ANALYSIS OF IMPLEMENTATION EXPERIENCES OF IFRS IN NIGERIA

Arinola Adebayo, Virginia State University
Hari Sharma, Virginia State University

ABSTRACT

In 2010, Nigeria approved the adoption and implementation of International Financial Reporting Standards (IFRS) to commence in 2012. The Nigerian Accounting Standard Board (NASB) presented three phases of implementation, requiring the publicly listed entities to begin implementing IFRS on January 1, 2012, all public interest entities to begin on January 1, 2013, and lastly, for all small- and medium-sized entities (SMEs) to begin implementation on January 1, 2014. The preliminary research on adoption and implementation of IFRS reveals certain issues and challenges faced by developing countries, which include technological infrastructure, preparedness of professionals and accounting curriculum, and the unique legal, cultural, political and economic infrastructure of each countries. The purpose of this research paper is to study the implementation of International Financial Reporting Standards (IFRS) in Nigeria, and to specifically examine the role of preparedness of the accounting professionals and academic institutions, as well as the cultural structure on the implementation.

INTRODUCTION

As the world economy became global, the necessity to establish a set of accounting reporting standards that would meet the needs of the global market for useful financial information was warranted. Hence, IASB endeavored to provide a common financial reporting language to allow greater worldwide communication to "bring transparency, accountability and efficiency to financial markets around the world." (www.ifrs.org). The IFRS Foundation of the International Accounting Standards Board (IASB) developed financial reporting pronouncements referred to as International Financial Accounting Standards (IFRS) that could be used by business entities throughout the world. Further benefits of the IFRS include the enhancement of quality, and the effectiveness of the use of financial information.

The adoption of IFRS began in the European Union in 2005 with over 120 countries participating in the implementation (Odia and Ogiedu 2013). The adoption and implementation of the International Financial Reporting Standards (IFRS) by developed and developing countries have been pervasive in the past several years. A significant number of research studies has reported the successes and challenges of IFRS implementation in various countries, particularly in the developing countries (Adam 2009, Weaver 2015, Zakari 2014). The focus of this study is to review status of IFRS adoption and implementation in developing counties, and to specifically examine the status of IFRS implementation in Nigeria, in light of the issues and challenges documented in several research studies.

The adoption of IFRS in Nigeria was approved on July 28, 2010 by the Nigerian Federal Executive Council. The timeline for adoption was set for all listed companies in Nigeria to implement IFRS beginning on January 1, 2012. Subsequently, all public interest entities were scheduled to begin implementing IFRS on January 1, 2013, and lastly, all medium and small entities were required to begin implementation of IFRS on January 1, 2014.

The remainder of this paper consists of the following sections: literature review, research proposition, research methodology, research findings, and conclusion.

LITERATURE REVIEW

Research studies report on the readiness of the developing countries, and also document the benefits and challenges of the adoption and implementation of IFRS (Abdullah, et. al. 2014, Larson and Street 2004, Zehri and Chouaibi 2013, Saheed 2016, Ezeani and Oladele 2012, Isenmila and Adeyemo 2012, Okafor and Ogiedu 2011, Terzungwe 2012, Sucher and Jindrichovska, 2004).

In light of the reported evidence of successes and challenges of the early IFRS adopters, specifically the developing countries, several studies take cues from the early adopters' experience to anticipate potential successes and challenges in Nigeria. Prior to the inception of IFRS adoption and implementation in Nigeria, several studies discuss the impending successes and potential challenges of the reporting requirement in Nigeria. Some studies present issues and reasons in favor of IFRS implementation in Nigeria; while other studies provide arguments against implementation. The studies that are in favor of IFRS focus on the expected benefits of implementation in Nigeria, which include enhancement of Nigeria capital markets by promoting the Foreign Direct Investment (FDI) inflow of funds and economic growth brought about by the financial information stakeholders' familiarity with a common set of accounting standards (Okpala 2012), lower cost of financial information processing and auditing (Okpala 2012, Madawaki 2012), greater benefits in international comparability of financial statements, cross border listings, mergers and acquisitions and increase ability to raise capital (Okafor and Ogiedu 2011), ease of using one consistent set of reporting standards by subsidiaries from different countries to benefit all stakeholders (Iyoha and Faboyede, 2011), and increased transparency of financial information (Nyor 2012)

On the contrary, there are some studies that present another point of view that some perceived challenges, gleaned from early adopters, such as lack of preparedness, institutional/cultural issues, and lack of inclusion of IFRS in the academic curriculum in Nigerian universities, would impede any perceived potential successes. Furthermore, some studies indicate that a single set of accounting standards will not yield the production of comparable and consistent financial reports desired by regulators (Ball, et. al 2000, 2003). Ayuba (2012) conjectures that the assurance that IFRS will lead to comparability and consistency in accounting information in Nigeria is a misconception, considering the political, religious, cultural, and economic nature of the country. Although Ayuba acknowledges that the objective of IFRS to improve the effectiveness of global capital markets, he believes that IFRS is better-suited for the purpose of the developed economies but surmises that the effect of IFRS on the developing countries "could be

catastrophic.” Hence, Ayuba proposes that Nigeria should give companies the choice to use Nigeria Generally Accepted Accounting Principles (NG-GAAP) or IFRS, stating that “competition between the NG-GAAP and IFRS be given priority as a mechanism to improve the quality of financial reporting in Nigeria.” (2012, p. 44)

Other issues mentioned as obstacles to a successful implementation of IFRS in Nigeria are 1) preparedness of the professionals (financial statement preparers and auditors) to implement IFRS, and 2) lack of the inclusion of IFRS in the accounting curriculum in Nigerian universities and institutions of higher learning. Ezeani and Oladele (2012) conclude that accounting professionals did not have adequate education and necessary skills to effectively implement IFRS. The authors claim that the “operation of universities/companies in Nigeria had more operational problems than structural ones.” (Ezeani and Oladele 2012, p 83). Isenmila and Adeyemo claim that the focus of institutions must be to educate accounting professionals of the dynamics of IFRS. The authors state that “IFRS as a matter of urgency must be incorporated into universities, polytechnics, and Professional Accounting Institutions’ curricula so as to build human capacity that will support the preparation of IFRS financial reports in the organizations.” (2013, p. 183) Other studies that claim lack of preparedness include Ayuba 2012, Iyoha and Jimoh 2011, Nyor 2012, and Edogbanya and Kamardin 2014. Nurunabi (2017) reports that it will be helpful to local standard setters (SOCPA), international standard setters (IABS), preparers and investors to focus on training for the effective implementation of IFRS in Saudi Arabia.

Despite the potential benefits of IFRS implementation, and barring the challenges, the problem of corruption in Nigeria remains a significant impediment to a successful preparation of accurate financial information, and questionable credibility and integrity (Ezeani and Oladele 2012). Okunbor, et. al (2014) examine the stakeholders’ perception of the adoption of IFRS in Nigeria whether the implementation of IFRS in Nigeria has enhanced the value of information in financial reports. The study reveal that significant differences exist in the perceptions of stakeholders regarding the effect of the IFRS on the value of financial reporting. However, they find that there are no considerable differences in their perception about the implementation of IFRS with respect to the improvement of the quality of investment decisions.

It has been over five years since the Nigeria began to implement IFRS in producing financial information. This study reviews the status of IFRS implementation in Nigeria, with the primary focus on examining the impact of the preparedness issue. The emphasis of the study is three-fold: 1) to examine the academic accounting curriculum in the institutions of higher learning before and after IFRS implementation, 2) to assess the professionals (financial analysts, financial statements preparers, and auditors) competencies before and after the implementation the international standards, and 3) to understand the impact of the economic culture on the implementation of IFRS.

RESEARCH PROPOSITIONS

This study employs the implementation theory. Implementation Theory (IT) is the study of relationship between institutional structure through which individuals interact, and the outcome of the interaction (Jackson, 2001). Palfrey explains implementation theory as a subset of economic

theory which “investigate the correspondence between normative goals and institutions designed to achieve those goals” (2002, p 2273). Literature on Implementation Theory addresses how “complete information” and “incomplete information” may the impact or results of implementation of concept or idea in an environment. The overall suppositions are that implementation is likely to be successful in an environment where individuals interacting with a well-designed institutional structure, while unsuccessful implementation is certain to be the outcome of implementation in a poorly-designed institutional structure.

Applying the Implementation Theory from the point of views of “complete information” and “incomplete information” concepts to examine the impact of Nigeria’s preparedness in the implementation of IFRS, we propose the following hypotheses:

H1 Adaptation of the accounting academic curriculum to include IFRS requirement in institutions of higher learning has a direct positive impact on the implementation of IFRS in Nigeria.

H2 Professional competency has a direct impact on the implementation of IFRS in Nigeria.

H3 Business cultural structure has a direct impact on the implementation of IFRS in Nigeria.

RESEARCH METHODOLOGY

The research data will be collected by reviewing the accounting academic curriculum of institution of higher learning in Nigeria. Additionally, three targeted survey instruments will be used to collect data of the perspectives of three unique groups: one instrument for accounting academics for their perspective on academic preparedness for IFRS, one instrument for accounting professionals in Nigeria to obtain perspectives on the state of their competencies and readiness for IFRS implementation, and one instrument for auditors and regulators to obtain their perspective about influence of Nigerian legal, political and cultural infrastructure on the implementation of IFRS. The descriptive data such as gender, age, level of education, years of experience and others will be obtained. The data will be analyzed using regression analysis.

RESEARCH FINDINGS

The research finding section will be based on the result of the data analysis. Hence, this section is forthcoming

CONCLUSION

The conclusion section will be developed based on the research findings. However, we anticipate that the results of this study will have policy implications. We can conclude, in light of

the relevant extant research results, discussions and reports, that the results of this study will provide useful information that can assist Nigeria to institute corrective directives and actions to ensure effective implementation that can lead Nigeria to reaping optimal benefits of the IFRS. We also anticipate that the results of this study will provide crucial information to those countries that are yet to adopt the reporting standards to formulate effective approach to adopting and implementing IFRS. The results of this study will advance and enhance the IFRS adoption and implementation literature.

REFERENCES

- Adam, M. (2009). Nigerian Banks: The Challenges of Adopting International Financial Reporting Standards. *Zenith Economic Quarterly*, 4(2), 17.
- Ayuba, A. 2012. A Proposed Rule – Roadmap for the Adoption of International Financial Reporting Standards (IFRS) in Nigeria: A Research Based Perspective on FGN, NASB & SEC. *American Journal of Economics*, June, Special Issue: 41-45.
- Edogbanya, a. Kamardin, H. 2014. Adoption of International Financial Reporting Standards in Nigeria: Concepts and Issues. *Journal of Advance Management Science*, 2(1): 72-75.
- Ezeani, N. S. and Oladele, R. 2012. Adoption of International Financial Reporting Standards (IFRS) to Enhance Financial Reporting in Nigeria Universities. *Arabian Journal of business and Management Review (OMAN Chapter)*, 2(3): 70-85.
- IFRS. www.ifrs.org. Accessed in 2017.
- Isenmila, P. A. and Adeyemo, K. A. 2013. Mandatory Adoption of International Financial Reporting Standards (IFRS) in Nigeria: The Unresolved Institutional Question. *Mediterranean Journal of Social Sciences*, 4(1): 175-184.
- Iyoha, F. O. and Faboyede, S. O. 2011. Adoption of International Financial Reporting Standards (IFRS) – A Focus on Nigeria. *International Journal of Research in Commerce & Management*, 2(1): 35-40.
- Iyoha, E. O. and Jimoh, J. 2011. Institutional Infrastructure and the Adoption of International Financial Reporting Standards in Nigeria. *School of Doctoral Studies (European Union) Journal*, (3): 17-23.
- Jackson, M. O. (2001). A crash course in implementation theory. *Social choice and welfare*, 18(4), 655-708.
- Larson, R. K. and Street, D. L. 2004. Convergence of IFRS in an expanding Europe: progress and obstacles identified by large accounting firms' survey. *Journal of International Accounting, Auditing and Taxation*, 13(2):89-119.
- Madawaki, A. 2012. Adoption of International Financial Reporting Standards in Developing Countries: The Case of Nigeria. *International Journal of Business and Management*, 7(3): 152-161.
- Nurunnabi, M., & Nurunnabi, M. (2017). Auditors' perceptions of the implementation of International Financial Reporting Standards (IFRS) in a developing country. *Journal of Accounting in Emerging Economies*, 7(1), 108-133.
- Nyor, T. 2012. Challenges of Converging to IFRS in Nigeria. *International Journal of Business & Information Technology*, 2(2): 26-31.
- Odia, J.O. and Ogiedu. 2013. IFRS Adoprion: Issues, Challenges and Lessons for Nigeria and other Adopters. *Mediterranean Journal of Social Sciences*, 4(3): 389-399.
- Okafor, C. and Ogiedu, K. O. 2011. Potential Effects of the Adoption and Implementation of International Financial Reporting Standards (IFRS) in Nigeria. *JORDIN* 9(1): 345-358.
- Okunbor, J. A., & Arowoshegbe, A. O. (2014). Stakeholders' perception of the implementation of international financial reporting standards (IFRS) in Nigeria. *Accounting and Finance Research*, 3(1), 67.
- Okpala, K. E. 2012. Adoption of IFRS and Financial Statements: the Perceived Implications on FDI and Nigeria Economy. *Australian Journal of Business and Management Research*, 2(05):76-83.
- Palfrey, T. R. (2002). Implementation theory. *Handbook of game theory with economic applications*, 3, 2271-2326.
- Saheed, U. 2016. Adoption of IFRS in Nigeria and Implementation Challenges. <https://www.linkedin.com/pulse/adoption-ifrs-nigeria-its-post-implementation-uthman-saheed>.

- Terzungwe, T. D. 2013. Technological innovation for sustainable development in a developing economy. Lead paper presented at National Conference on Technological innovation for sustainable development at SES, Federal Polytechnic, Nasarawa, Nigeria on 9th October.
- Weaver, L., & Woods, M. (2015). The challenges faced by reporting entities on their transition to International Financial Reporting Standards: a qualitative study. *Accounting in Europe*, 12(2), 197-221.
- Zakari, M. A. (2014). Challenges of International Financial Reporting Standards (IFRS) Adoption in Libya. *International Journal of Accounting and Financial Reporting*, ISSN 2162-3082, 2014, Vol. 4, No. 2.
- Zehrim, F. and Chouaibi, J. 2013. Adoption of International Accounting Standards IAS/IFRS by the Developing Countries. *Journal of Economic, Finance and Administrative Science*, 18:56-62.

CUSTOMER SERVICE IN ETHIOPIA, LEBANON PAKISTAN AND THE USA

Aswin Sreeram, University of Texas at Dallas
Michael Rammal, University of Texas at Dallas
Misra Abdela, University of Texas at Dallas
Saad Sarfaraz, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

The objective of this paper is to understand and analyze the cultural differences social norms in the United States, Ethiopia, Lebanon and Pakistan and see how it influences the quality of customer service in these countries. The United States of America is the world's largest national economy. Most of companies in America goals include meeting customers expectation as much they can and offer the best customer service. Hofstede's Six-Dimensional model is used as a basis for comparison of these countries. By using this model, you can clearly see where the two countries are similar and where they differ. No matter where you are in the world, you will always find good and bad people. Studies show that where there is poverty or war, peoples idea of ethics and morals change. When you have the mentality of getting what you need by any means necessary, one may view those ways as unethical.

***Power distance** deals with the fact that all individuals in societies are not equal, and it expresses the attitude of the culture toward these power inequalities amongst us. The fundamental issue addressed by **Individualism** is the degree of interdependence a society maintains among its members. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are only supposed to look after themselves and their direct family. In Collectivist society's people belong to "in groups" that take care of them in exchange for unquestioning loyalty. A high score (Masculine) on **Masculinity** indicates that the society will be driven by competition, achievement and success, with success being defined by the "winner" or "best-in-the-field". This value system starts in childhood and continues throughout one's life – both in work and leisure pursuits. A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine). The dimension **Uncertainty Avoidance** has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these is reflected in the score on Uncertainty Avoidance. One challenge that confronts humanity, now*

and in the past, is the degree to which small children are socialized. Without socialization, we do not become “human”. This dimension is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. A tendency toward a relatively weak control over their impulses is called “**Indulgence**”, whereas a relatively strong control over their urges is called “**Restraint**”. Cultures can be described as *Indulgent* or *Restrained*. The dimension **Long term orientation** gives a measure of how inclined people are towards planning and saving for the future. Countries with high value of long term orientation like to save money for the future and try to live in the future, leave the money for their kid’s future.

In this paper, we aim to address the evaluate the level of customer service offered in each of these 4 countries and how it is influenced by the 6 dimensions and to draw conclusions based on our findings. Suggestions for future research can be gleaned from the research of leaders such as the Carlands, Buckley, Carraher, and Peng.

REFERENCES

- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Budd, J. & Carraher, S. (1998). Validation of an inventory to measure attributes of strategic management. *Psychological Reports*, 82 (3 Pt 2), 1220-1222.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: Developing the next generation of leaders and entrepreneurs. *International Journal of Family Business*, 5 (1), 45-46.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: How to develop the next generation of leaders and entrepreneurs at your university. *International Journal of Family Business*, 5 (1), 65-66.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2010). Metal-containing polymer structures for enhancing seed germination and plant growth. *Advances in Environmental Biology*, 4 (1), 108-116.
- Carraher, C.E., Carraher, S.M., & Stewart, H.H. (2011). Plant growth hormone-containing polymers for enhanced seed germination and plant growth. *Journal of Polymeric Materials*, 28 (2), 287-301.
- Carraher, C., Gaonkar, A., Stewart, H., Miao, S., & Carraher, S. (1998). Structural characterization and effects of Gibberellic acid-containing Organotin polymers on sawgrass and cattail germination and seedling growth for everglades restoration. In *Tailored Polymeric Materials for Controlled Delivery Systems* (pages 295-308) edited by Iain McCulloch and Shalaby W. Shalaby, Washington, DC: American Chemical Society & Oxford U.P.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.

- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koironen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. (1991). A validity study of the pay satisfaction questionnaire (PSQ). *Educational and Psychological Measurement*, 51 (2), 491-495.
- Carraher, S. (1991). On the dimensionality of the pay satisfaction questionnaire. *Psychological Reports*, 69 (3 Pt. 1), 887-890.
- Carraher, S. (1992). *PSY 3363: Industrial Psychology*. Norman, OK: U. of Oklahoma.
- Carraher, S. (1993). Another look at the dimensionality of a learning style questionnaire. *Educational and Psychological Measurement*, 53 (2), 411-415.
- Carraher, S. (1995). On the dimensionality of a learning style questionnaire. *Psychological Reports*, 77 (1), 19-23.
- Carraher, S. (2000). Pressing Problems in Modern Organizations (That Keep Us Up At Night). *Journal of Leadership Studies*, 7 (3), 136-138.
- Carraher, S. (2003). The father of cross-cultural research: An interview with Geert Hofstede. *Journal of Applied Management & Entrepreneurship*, 8 (2), 97-106.
- Carraher, S. (2005). An Examination of entrepreneurial orientation: A validation study in 68 countries in Africa, Asia, Europe, and North America. *International Journal of Family Business*, 2 (1), 95-100.
- Carraher, S. (2006). Felt fair pay of small to medium sized enterprise (SME) owners in Switzerland: An examination of Jaques' equity construct. *Journal of International Business and Entrepreneurship Development*, 3 (1/2), 109-120.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.
- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.

- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.
- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher SM. (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1.
- Carraher Shawn , (2014) "Dutton, management philosophy, realistic job previews, and Weber", *Journal of Management History*, Vol. 20 Iss: 2.
- Carraher Shawn , (2014) "Kathryn Harrigan, Management History, and Michael Peng", *Journal of Management History*, Vol. 20 Iss: 3.
- Carraher Shawn M. , (2014) "AACSB standards, Academy of Management and 3000 Citations", *Journal of Management History*, Vol. 20 Iss: 4.
- Carraher, SM (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1
- Carraher, SM. (2015). "Denise Rousseau, 20 Years of the JMH, and goodbye" *Journal of Management History* 21 (4).
- Carraher, SM. (2015). "4000 citations for the JMH and Strategic IQ". *Journal of Management History* 21 (3).
- Carraher, SM. (2015) "Signaling intelligence, signaling theory, Project A, and excellent management history research", *Journal of Management History*, Vol. 21 Iss: 2
- Carraher, SM. (2015) "Objectivism, Lyman Porter and ethical leadership", *Journal of Management History*, 21 (1).
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.

- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 2 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 2, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Stewart, W. H. Jr., Carland, J.C., Carland, J.W., Watson, W.E., & Sweo R. (2003). Entrepreneurial dispositions and goal orientations: A comparative exploration of United States and Russian entrepreneurs. *Journal of Small Business Management*, 41(1), 27-46.
- Stewart, W., Watson, W., Carland, J.C., & Carland, J.W. (1999). A proclivity for entrepreneurship: A comparison of entrepreneurs, small business owners, and corporate managers. *Journal of Business Venturing*, 14, 189-214.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.

- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.

INDIA AND THE USA: CULTURAL DIFFERENCES & ETHICS

Aamir Sitabkhan, University of Texas at Dallas

Benson Thomas, University of Texas at Dallas

Edwin Miller, University of Texas at Dallas

Nikita Patel, University of Texas at Dallas

Simranjit Walia, University of Texas at Dallas

Kiran Kumar Shankar, University of Texas at Dallas

Aditi Parolkar, University of Texas at Dallas

Vikram Aditya Chakravarthula, University of Texas at Dallas

Nisha Domalapalli, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

Citizens of India generally earn less than Americans and face a number of difficulties that individuals from a developed nation would not normally experience. It is because of these numerous difficulties that discretionary spend for enjoyment is sacrificed for investments in security and health. Indian citizens live in smaller houses, eat meals that are relatively cheap, and spend majority of their time working. When you look at the average house size of an Indian family, there are about 2-4 people that live in a room the size of the average American bedroom. This imagery represents the lifestyle that Indians must live day-to-day; one that is focused around restraint and sacrificing for the greater good of the family. Many of the experiences that American's may take for granted are seen as luxuries in India. A common luxury in America, such as owning a car, is seen as a symbol of status in India as many families work their whole lives to earn the benefit of having one car.

In comparison to India, Americans often live a life of that is more open to spending discretionary income on enjoyment and indulgence. Many Americans live in excess of their means, and believe that life is to be experienced to the fullest. This can be perceived through Hofstede's Cultural Dimensions that shows America's indulgence rating at a whopping 68. Indulgence in this regard, means that Americans value their time and believe a portion of it must be spent vacationing. In India, the concept of taking a vacation is seen as a luxury most families can't afford. Many Indians would rather work to ensure financial security, than to take a day off. The concept of necessity vs indulgence works differently between these two countries.

The concept of indulgence vs conservatism is symbolized by the poverty rates of both countries. In 2011, India had a poverty rate of 23.6%, which is a grandiose number considering the population size was 1.247 billion. Considering that 24% of the population in India makes less than the minimum amount outlined by the government, and 25% of the of the population is unable

to earn enough to sustain life, it is expected that indulgence wouldn't be a key characteristic defining the nation of India.

Another immense difference between India's cultural dimensions and the United States' dimensions involves the idea of "individualism". In the US, it is engrained into children from a very young age that being unique is okay and even a key to success. Education within India follows a centralized model that doesn't allow for kids to express their individuality. Learning skills and subjects is considered far more important for children attending school. Each individual in India is expected to work for themselves and progress throughout life primarily on their own which aligns to the idea of individualism, but the country sits pretty low within the Hofstede individualism dimension. This is because Indians are also expected to act and perform in alignment of what is expected of them by their larger social network or career network. Indians are very tight knit, and small neighboring communities are well aware of each person's achievements and failures. This collectivist community differs immensely with what is perceived of Americans. Americans are perceived to act in accordance to what benefits them. Americans are not usually expected to perform in accordance to a larger social network, and unique actions within careers and life are celebrated.

In regards to Hofstede's dimension revolving "long term orientation", America and India hold very little in common. India, ranked at 51, is quick to adapt to changes in education, society, relationships, politics whereas America is relatively conservative. The conservative party within America is a testament to the conservative nature of many people within the country. India puts great emphasis on education, and is quick to adapt their methods to an ever-changing technological and cultural world. India has become a technologically innovative powerhouse in the last decade, which many education programs aligned to computer technology. This modernization of education was swift, whereas programs like these in America are slower to develop. Changes in society, education, or politics requires agreement on the nation as a whole which disables any modernization movement. The process entailed in modernizing society or education is far more cumbersome within America, and explains the differences within long term orientation between these two nations.

Hofstede's Power Distance is the last major dimension that represents cultural differences between India and America. In America, most people refuse to accept when power is distributed unequally, whereas this concept is widely accepted in India. Indians prefer that communication and guidance comes from a higher source or individual, whereas Americans are taught to think for themselves and to maneuver the career ladder individually. American's are free to express their opinions and being argumentative could represent passion for a subject, whereas Indians highly regard their manager's thoughts and actions.

America and India may differ greatly in terms of the cultural dimensions, but these countries are also entirely different ethically. India is a country whose ethical code is determined by the government, religion, society, and local business. Ethics in India is now a highly emphasized factor amongst companies, and has become an important subject amongst managers across the board. The increased focus on ethical standards was due to the spotlight that various clients across the globe had on Indian companies. This focus came about only in the early twenty-first century, as ethics and the training of lower level employees was considered an added cost or burden. With

a top-down management model, lower level employees were constantly waiting on guidance from management, and were not exposed to the decisions and goals of upper management.

The United States on the other hand has had a very high regard on ethics. Earlier, within the traditional Management model, there was not any transparency among upper management and lower level employees. This led to processes and rules being imposed on the employees without adherence to questions or suggestions. This was an unethical mode of operation. Once the modernization of management models kicked in during the late twentieth century, upper management has been very welcoming to suggestions from lower level employees. This also created a sense of ownership at the lower employee level. This meant that ethical behavior was encouraged rather than forced upon. This became a standard across all the industries and therefore most American companies these days expect ethical behavior from their third-party companies. Overall, India and the United States vary significantly from both a cultural and ethical perspective. In order for suggestions for future research we'd suggest looking at the research of the Carlands, Carraher, Buckley, and Peng.

Presentation can be found at the following link:

[https://www.dropbox.com/s/at2oq5jparvp1oh/ation India and the USA Cultural Differences and Ethics PP2.pptx?dl=0](https://www.dropbox.com/s/at2oq5jparvp1oh/ation%20India%20and%20the%20USA%20Cultural%20Differences%20and%20Ethics%20PP2.pptx?dl=0)

REFERENCES

- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, *52* (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, *6* (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, *9* (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, *83*, 452-461.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, *2*(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, *1*(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, *8* (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, *2*, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, *10*(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, *11*, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, *9* (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* *7* (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.

- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.
- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.
- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.
- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher, SM. (2015) "Objectivism, Lyman Porter and ethical leadership", *Journal of Management History*, 21 (1).
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.

- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.

- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

LATIN AMERICA AND THE USA: CULTURAL DIFFERENCES

Jose Ibarra, University of Texas at Dallas
Naga Navya Kondeti, University of Texas at Dallas
Joan Lemus, University of Texas at Dallas
Karen Torres, University of Texas at Dallas
Sainath Raj, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

There's a strong correlation between ethical attitudes of business managers and culture. Using Hofstede's 6D model a comparison can be done on the overall cultural differences between the United States and Chile. According to the Geert Hofstede's critique on national culture, the U.S. is one of the "most individualist cultures in the world." In alignment with other Latin countries, Chile scores very low on individualism. Compared to America's score of 91 for individualism, Chile has a score of 23. In Chile, people who hold high positions and those with lower-paying positions tend to evaluate their options and are not passive in switching between employers. Although there is no hesitation in switching companies and positions, the people of Chile tend to work closely with their career network and develop long lasting career bonds.

Both America and Chile focus on "working to live." Though both the US and Chile have similar ideals, they achieve it using different methods and with slightly different rewards in mind. In America, people generally "live to work" so that they can obtain monetary rewards as well as a higher status. American society is motivated by success, achievement and competition, which is emphasized within their education system. Kids are taught to be optimistic and to work towards being the best that they can be. The people of Chile are slightly different as they need to feel a sense of "belonging" within a social group. As a result, Chileans constantly strive to work efficiently and are known to be supportive team members.

Equality and quality of work is valued in the Chile work force, and is similarly valued in the United States' culture. The American principle of "liberty and justice for all" is evidenced by emphasis on equal rights in all aspects. This principle is also highly regarded in the corporate workspace as well. Both America and Chile place a lot of importance on work running efficiently and smoothly. This results in both America and Chile emphasizing negotiation and compromise, making it very feasible for issues to be worked out in a proper manner that is beneficial to both countries.

According to Hofstede, a feminine society is one where quality of life is the sign of success and standing out is not preferred. Chile has a feminine score of 28, whereas the United States on the other hand, has a score of 62. This difference is symbolized in a number of ways. The people of Chile put an emphasis on "belonging" and believe it is achieved efficiently through hard work,

specifically through a cohesive relationship-oriented method. The more involved an individual is with others in his/her workplace, instead of drawing attention to themselves as an individual, the more they “belong”. This ideology has played a huge part in leading to the overall success in the Chile culture. In contrast, America welcomes target setting, which showcases how well a job each person does.

Regardless of the difference in masculinity between Chile and America, according to Hofstede, both nations have the exact same score in terms indulgence. The two countries don’t have much restraint when it comes to controlling their desires and impulses. As a result of their hard work and success, the people of Chile tend to indulge by having fun and enjoying life. The quality of life in Chile is evidenced by the exciting and frivolous lifestyles they live. A high degree of importance is placed on leisure time, and the people of Chile act and spend money as they please. In America, after success has been achieved, people attain higher monetary rewards and in accordance a higher lifestyle, career, societal status. The higher status is showcased by the change from a regular lifestyle to a lifestyle of the highest quality. Both countries “work hard and play hard”, working proactively and enjoying their success by indulging in a richer, more leisurely lifestyle.

Out of the six dimensions, Chile scores highest in uncertainty avoidance with a score of 86 while America scores a 46. Americans are generally tolerant to various viewpoints and new ideas and allow freedom of expression. They are open to new ideas when it comes to technology, foods, and business practices. Despite their open-mindedness and tolerance, it is common for Americans to analyze new information delicately and to verify its validity. As is common in Latin American countries, Chile society holds their rules and legal systems in high regard. Without these systems Chileans believes there would be an immense lack of structure within their society. Chile stands apart from other Latin American countries in that despite an importance in hierarchy, the corruption rate is low. Chile places great dependence on authorities, experts and non-managerial employees.

Another dimension in which Chile and America are similar is “long term orientation”. Swift changes within the society contradict the United States’ value of tradition, leading to periodical earnings and gains acquired short term, as compared to long term. This goes hand in hand with Chile’s normative culture in valuing and maintaining traditions. Chile’s business strategies generally implement short term considerations similar to those of the United States, while avoiding the effects of long term considerations. This similarity is one of the solutions in overcoming challenges faced by American business people working with Chile. It has made it easier to arrive at mutual decisions that are in the best interest for both countries. Taking the few variances between the two cultures into consideration as well as the ample similar qualities shared by the two countries, it is highly viable for American business people to successfully conquer potential challenges. Future researchers can look to the Carlands and Carraher for directions for future research.

Ethics in Mexico and El Salvador are different compared to the ethics here in the United States. Sometimes moral values and ethics are abused by these countries as it is more often that business owners are corrupted to hoard earnings for themselves instead of distributing them properly amongst the corporation. Based on Hofstede’s 6-Dimensional Model Mexico and

Colombia are perceived to be unethical. This can be explained by a high crime rate, and an emphasis on the individual's ability to survive in a competitive climate. In regard to business ethics, Latin America differs immensely from America as small businesses in Latin America are highly focused on the bottom line and improving their earnings by any means necessary. Crime between business is common, as well as a lack of customer validation and understanding. Many businesses will require their workers to perform in dangerous environments without triage processes in place. Comparing the countries of Mexico and Colombia using Hofstede's 6-D Model allows a good overview of the deep drivers of their culture. Both Mexico and Colombia have a relative high score when it comes to masculinity which means these countries live in order to work. This also could explain why ethics is sometimes sacrificed, as Latin Americans must provide for their individual families in a dangerous and cut-throat environment. Mexico and Colombia have scores of 82 and 80 on uncertainty of avoidance dimension, meaning they have a very high preference for avoiding uncertainty. Mexico and Colombia have relatively low scores when it comes to long term orientation dimension which means their culture is normative. Both countries show great respect for traditions and focus on achieving quick results. Mexico and Colombia also tend to act as they please and spend money as they wish, enjoying life and having fun. Overall Mexico and Colombia are very similar with regards to Hofstede's 6-Dimensional Model, but Mexico tends to lean more aggressively within the dimensions. Culture is what differentiates one group or society from the next; it's what we have been raised to believe and practice. Growing up in a culture we learn the good and the bad, what is ethically correct. The values of what seems important to the certain culture relate to how those people will behave and develop. The way of life in South America specifically in Peru is a great example to view their different ethical beliefs, different dimensions, and the way they carry service.

Presentation can be found at the following link:

https://www.dropbox.com/s/2b902wtqzyiv4z1/LatinAmericaVsNorthAmerica_V2.pptx?dl=0

REFERENCES

- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, *52* (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, *6* (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, *9* (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, *83*, 452-461.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, *2*(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, *1*(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, *8* (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, *2*, 93-104.

- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koironen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. (1991). A validity study of the pay satisfaction questionnaire (PSQ). *Educational and Psychological Measurement*, 51 (2), 491-495.
- Carraher, S. (1991). On the dimensionality of the pay satisfaction questionnaire. *Psychological Reports*, 69 (3 Pt. 1), 887-890.
- Carraher, S. (1992). *PSY 3363: Industrial Psychology*. Norman, OK: U. of Oklahoma.
- Carraher, S. (1993). Another look at the dimensionality of a learning style questionnaire. *Educational and Psychological Measurement*, 53 (2), 411-415.
- Carraher, S. (1995). On the dimensionality of a learning style questionnaire. *Psychological Reports*, 77 (1), 19-23.
- Carraher, S. (2000). Pressing Problems in Modern Organizations (That Keep Us Up At Night). *Journal of Leadership Studies*, 7 (3), 136-138.
- Carraher, S. (2003). The father of cross-cultural research: An interview with Geert Hofstede. *Journal of Applied Management & Entrepreneurship*, 8 (2), 97-106.
- Carraher, S. (2005). An Examination of entrepreneurial orientation: A validation study in 68 countries in Africa, Asia, Europe, and North America. *International Journal of Family Business*, 2 (1), 95-100.
- Carraher, S. (2006). Felt fair pay of small to medium sized enterprise (SME) owners in Switzerland: An examination of Jaques' equity construct. *Journal of International Business and Entrepreneurship Development*, 3 (1/2), 109-120.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.
- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.

- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.
- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher SM. (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1.
- Carraher Shawn , (2014) "Dutton, management philosophy, realistic job previews, and Weber", *Journal of Management History*, Vol. 20 Iss: 2.
- Carraher Shawn , (2014) "Kathryn Harrigan, Management History, and Michael Peng", *Journal of Management History*, Vol. 20 Iss: 3.
- Carraher Shawn M. , (2014) "AACSB standards, Academy of Management and 3000 Citations", *Journal of Management History*, Vol. 20 Iss: 4.
- Carraher, SM (2014) "Leadership, entrepreneurship, and suggestions for future research", *Journal of Management History*, Vol. 20 Iss: 1
- Carraher, SM. (2015). "Denise Rousseau, 20 Years of the JMH, and goodbye" *Journal of Management History* 21 (4).
- Carraher, SM. (2015). "4000 citations for the JMH and Strategic IQ". *Journal of Management History* 21 (3).
- Carraher, SM. (2015) "Signaling intelligence, signaling theory, Project A, and excellent management history research", *Journal of Management History*, Vol. 21 Iss: 2
- Carraher, SM. (2015) "Objectivism, Lyman Porter and ethical leadership", *Journal of Management History*, 21 (1).
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.

VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.

CULTURAL DIFFERENCES IN FRANCE, GERMANY, GREECE, INDIA, THE USA AND VIETNAM

Angela Trinh, University of Texas at Dallas
Nguyen Nguyen, University of Texas at Dallas
John Berger, University of Texas at Dallas
Umar Desai, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas

ABSTRACT

Power distance is the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. Individualist societies people are supposed to look after themselves and families; where collective societies people belong in groups that take care of them in exchange for loyalty. The US has a low power distance in combination with a high individualist score. This reflects the US idea of “liberty and justice for all”. Americans are accustomed to doing business or interacting with people they don’t know well; resulting in them not being shy about approaching their prospective counterparts in order to gain information. When translated to business, this means employees are expected to be self-reliant and display initiative. Greece has a higher power distance score, but lower individualism score. Basically, Greece is a collective society, unlike the United States, and rely on the group to look after each other. Both Greece and the United States have fairly high, and equal level, on the masculinity scale. This means both countries are driven by competition, achievement, and success.

Greece has the highest Uncertainty Avoidance score which means Greeks are not at all comfortable in ambiguous situations, they have an anxious and stressing feeling about life. In Greece, bureaucracy, laws, and rules are very important to make the world a safer place to live in. The United States has a much lower uncertainty avoidance score than Greece. As a result, the perceived context in which Americans find themselves will impact their behavior more than if the culture would have scored higher, like Greece. As a result, there is a fair degree of acceptance for new ideas, innovation, and willingness to try new things. Indulgence is defined as the extent to which people try to control their desires and impulses. Greece scores a 50, so there is no clear preference between indulgence and restraint can be established. The United States on the other hand, scored much higher with a 68. This is reflected in the “work hard, play hard” mentality. Also, the US is waging war on drugs and has been for a while, yet drug addiction in the US is higher than in many other wealthy countries. In the power distance compared with Vietnam (score of 70) and France (score of 68), they are both close to having high scores on this dimension. The power distance is defined as the degree to which the less effective individuals from foundations and associations inside a nation expect and acknowledge that power is circulated unequally.

People in these countries accept a hierarchical order in which everybody has a place and which needs no further justification. Difficulties to the initiative are not generally welcomed.

The fundamental issue addressed by the individualism dimension is the level of relationship a general public keeps up among its individuals. It has to do with whether people's self-image is defined in terms of "I" or "We". Vietnam is low (score of 20) and is a collectivistic society which means the people belong to 'in groups' that take care of them in exchange for loyalty. Steadfastness in a collectivist culture is fundamental and abrogates most other societal standards and controls. Such a general public encourages solid connections, where everybody assumes liability for kindred individuals from their gathering. In collectivist social orders, offense prompts disgrace and loss of face. Employer/employee relationships are viewed in moral terms (like a family), hiring and promotion take account of the employee's in-group. Management is the management of groups. In extreme contrast, France is high (score of 71) which means that parents make their children emotionally independent about groups in which they belong. One is supposed to take care of oneself and one's family. Societies can, hence, be depicted as Indulgent or Restrained. A low score of 35 on this measurement demonstrates that the way of life of Vietnam is portrayed as Restrained. Social orders with a low score in this measurement tend to criticism and negativity. Likewise, rather than Indulgent social orders, Restrained social orders don't put much accentuation on relaxation time and control the delight of their goals. Individuals with this introduction have the observation that their activities are Restrained by social standards and feel that entertaining themselves is to some degree off-base. In contrast, France scores somewhere in the middle of 48 where it concerns indulgence versus restraint. This, in combination with a high score on Uncertainty Avoidance, implies that the French are less relaxed and enjoy life less often than is commonly assumed. Indeed, France scores not all that high on the happiness indices.

One of the highest praised traits in German business ethics is the ability to have personal integrity and to be loyal to your associates. Germans love to be punctual and expect punctuality from other people regardless of their cultures. Germany is considered a masculine society where performance is highly valued and early required as the school system separates children into different types of schools at the age of ten. Germany is among the uncertainty avoidant countries where there is a strong preference for deductive rather than inductive approaches, be it in thinking, presenting or planning: the systematic overview has to be given in order to proceed. Germany is a society with a pragmatic orientation, people believe that truth depends very much on situation, context and time. Germany is considered non-indulgent country where people put less emphasis on leisure time and control the gratification of their desires. India's business ethics practices at both the individual and institutional level are abysmal, and the scale of erosion of ethical business practice in Indian corporates is surprising. Frauds are committed by executives at different levels within a company, but typically by those at junior to middle management level, according to these studies. These include misappropriation of assets, cybercrimes, and procurement frauds, besides bribery and corruption. Sometimes, the top management is involved, as evinced by the growing list of 'willful defaulters.' India on the other hand scores high in power distance. Real power is centralized even though it may not appear to be and managers count on the obedience of their team members. Employees expect to be directed clearly as to their functions and what is expected

of them. India is a society with both collectivistic and Individualist traits. Suggestions for future research may be gleaned from the research of the Carlands, Peng, Carraher, and Buckley.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/SPwXOc9h6Dg>

REFERENCES

- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.

- Carraher, S. (1991). A validity study of the pay satisfaction questionnaire (PSQ). *Educational and Psychological Measurement*, 51 (2), 491-495.
- Carraher, S. (1991). On the dimensionality of the pay satisfaction questionnaire. *Psychological Reports*, 69 (3 Pt. 1), 887-890.
- Carraher, S. (1992). *PSY 3363: Industrial Psychology*. Norman, OK: U. of Oklahoma.
- Carraher, S. (1993). Another look at the dimensionality of a learning style questionnaire. *Educational and Psychological Measurement*, 53 (2), 411-415.
- Carraher, S. (1995). On the dimensionality of a learning style questionnaire. *Psychological Reports*, 77 (1), 19-23.
- Carraher, S. (2000). Pressing Problems in Modern Organizations (That Keep Us Up At Night). *Journal of Leadership Studies*, 7 (3), 136-138.
- Carraher, S. (2003). The father of cross-cultural research: An interview with Geert Hofstede. *Journal of Applied Management & Entrepreneurship*, 8 (2), 97-106.
- Carraher, S. (2005). An Examination of entrepreneurial orientation: A validation study in 68 countries in Africa, Asia, Europe, and North America. *International Journal of Family Business*, 2 (1), 95-100.
- Carraher, S. (2006). Felt fair pay of small to medium sized enterprise (SME) owners in Switzerland: An examination of Jaques' equity construct. *Journal of International Business and Entrepreneurship Development*, 3 (1/2), 109-120.
- Carraher, S. (2006). Attitude towards benefits among SME owners in Eastern Europe: A 30-month study. *Global Business and Finance Review*, 11 (1), 41-48.
- Carraher, S. (2008) *Small Business Institute® Research Review* Volume 35 [304 pages] SBANC.
- Carraher, S.M. (2008). A graduate certificate in entrepreneurial studies for medical and non-medical entrepreneurs. *International Journal of Family Business*, 5 (1), 13-14.
- Carraher, S.M. (2008). How to integrate a board of advisors in to the academic process. *International Journal of Family Business*, 5 (1), 43.
- Carraher, S.M. (2008). On-line SBI teams: Costco and beyond. *International Journal of Family Business*, 5 (1), 47.
- Carraher, S.M. (2008). Youth entrepreneurship: Strategic exercises for developing entrepreneurship among elementary school students. *International Journal of Family Business*, 5 (1), 67-68.
- Carraher, S.M. (2008). Using E-Bay to teach global and technological entrepreneurship *International Journal of Family Business*, 5 (1), 63-64.
- Carraher, S.M. (2009). Business Education Accreditation and the Changing Global Marketplace: John Fernandes of AACSB. *Journal of Applied Management & Entrepreneurship*, 14 (1), 128-138.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM. (2015). "4000 citations for the JMH and Strategic IQ". *Journal of Management History* 21 (3).
- Carraher, SM. (2015) "Objectivism, Lyman Porter and ethical leadership", *Journal of Management History*, 21 (1).
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.

- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1).15-38
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.

- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

AUSTRALIA, BRAZIL, CHINA, DENMARK, GREECE, NORTH KOREA, THAILAND IRELAND, AND SOUTH KOREA: CULTURAL DIFFERENCES AND CUSTOMER SERVICE

**Hannah Turner, University of Texas at Dallas
Zachary Timms, University of Texas at Dallas
Sam Halliburton, University of Texas at Dallas
Brandon Gardere, University of Texas at Dallas
Wansoo Lee, University of Texas at Dallas
Adam James, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas
Justin Hall, University of Texas at Dallas
Tristan Pope, University of Texas at Dallas
Gun Kang, University of Texas at Dallas
Jose Alonso, University of Texas at Dallas
Jason Barnes, University of Texas at Dallas
Azyeb Kidane, University of Texas at Dallas**

ABSTRACT

Despite some cultural stereotypes associated with Ireland, they are a very articulate and serious group of individuals. They boast a strategic geographical location between the North and Norwegian Sea, giving them transportation advantages other countries do not have. The Irish place a high importance on the attributes of leadership and ethics in the business world. Since the 1990's, there have been many policies and practices put into place to increase the amount of ethics training in the country, leading to a stronger and more honest country overall. Australia also has some geographical advantages being an island in the Indian Ocean. In terms of business ethics for the Australians, they take great pride in the concept of having integrity in every business decision. However, there have been many cases of unethical business practices from cheap labor implementation, to fraudulent activity in numerous industries. In response, the government has been cracking down on such illegal and unethical practices in an effort to prove Australia as an honest and successful country. From Hofstede's six dimensional analysis, the information shows some surprising similarities between the two countries. Both countries scored notably low in the Long-term Orientation category. This information shows that both countries have a hard time moving forward from past decisions to better improve their future. In addition, it also demonstrates that this could be why these countries are not considered economic powerhouses globally. In terms of Power Distance, both countries again scored fairly low, representing the importance of

minimizing inequalities within the peoples of each country. This is definitely a strength because this means that communication is clear from the bottom to the top of organizations and hierarchy is not emphasized.

Another important category in determining global success is Individualism. Australia scored a very high 90 out of 100 while Ireland fell short scoring only a 70. Although both of these scores are very high, Australia is much more individualistic meaning employees are expected to be very self-reliant and ambitious. While this can work out very well for some organizations, it also has its drawbacks. An individualistic culture emphasizes the "me" of the business rather than "we". These countries that score high on this scale tend to have more conflict because group work is seen as less desirable. As for Ethics, these three countries vary more so in this category than others. First of all, Asian countries are well-known for their hierarchies among groups and within society. An example of this is South Korea. South Korea scored a high 60 on Power Distance while Ireland only scored 28. As for Indulgence, South Korea scored a low 29 while Ireland scored 65. These scores make sense since people who have less power do not have the chance to express how they feel or think. Their opinions do not matter much to society or people in higher power. Customer service is an aspect of business that is typically overlooked. In today's world, the customer has become more informed, knowledgeable, and thus more powerful and influential. Acquiring and keeping loyal customers is easily one of the most difficult tasks firms face on a daily basis. It is of the utmost importance that a firm does whatever they possibly can to keep loyal customers around. In the last 10 years, both Ireland and Australia have made tremendous strides to improve the overall customer experience across many industries. These two countries have stepped up their game by improving consulting work and face-to-face services as well as implementing new techniques in the automobile industry. People's values and beliefs are shaped throughout their whole lives starting from an early age and continuing to change as each individual becomes exposed to different aspects of the world. There are many types of influences that shape a person's beliefs at an early age starting with their parents and later being teachers, family members, movie characters, etc. At a later age, the influences start becoming bosses, co-workers, celebrities, sport figures, etc. No matter the age, there is always a point where a person's beliefs will be put to the test against those of someone else. When there is a similarity in values and beliefs between people there tends to be a feeling of joy, fulfillment, and reassurance. On the contrary, when there are opposing views between people there tends to be a feeling of anger, frustration, and irritation. It is no surprise that every person is different and that every day throughout our lives we will be encountering conflicting values. Many people usually become accustomed to dealing with contrary ideas mainly because they are forced to whether it is for their job, school, sports team, etc.

However, an individual's values can just as well be shaped by the country in which they live or were raised in. Denmark and North Korea were purposefully chosen due to the fact that they run on opposing ethics and values such as their government practices which therefore also affect the citizens' way of living and economy as a whole. North Korea runs is run by communism and dictatorship which makes it illegal for their citizens to leave the country. They also run on an isolated and tightly controlled command economy which basically means everything is determined by the government without the input of the citizens. Denmark on the other hand runs on a

constitutional monarchy which means that the monarch acts as head of state while following a constitution. This type of monarchy comes to show that their powers and authorities have to be acted upon a reasonable limit to prevent it from becoming an absolute monarch. They run on a mixed economy and rank as the 39th largest national economy in the world (GDP). This research will begin by providing background analysis on the government history, culture, and economy of North Korea and Denmark in order to fully understand what it is about these nations that makes them polar opposites. Ethics are something that vary sharply all around the world. They drive how individuals make business as well as personal decisions. When dealing in international business it is vital to have an understanding of the ethical constructs of the counter party with which you are party to. The Hofstede model of interpreting cultural dimensions is extremely effective at comparing the ethical constructs in business from country to country. Even when comparing countries in the same region, you can see considerable differences ethical dimensions.

For example, when comparing the ethical constructs of China and Thailand there are several striking differences when looking through the lens of the 6-D model you find some striking ethical differences that play important roles in business. The 6 dimensions Hofstede uses in his model are power distance, individualism, masculinity, uncertainty avoidance, long term orientation, and indulgence. Power distance is defined as the the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. With a score of 80, China sits on the higher end of the rankings. This high score means that Chinese society believes that inequalities amongst people are acceptable. This belief means that there is no defense against abuse from superiors, and people should not have aspirations beyond their rank. Thailand has a score of 64 which is still relatively high in the rankings, but not to the extent that the subordinate-superior relationship is polarized in Chinese culture. The two largest ethical differences between China and Thailand according to the 6-D model lie in uncertainty avoidance and masculinity. China has a score of 66 for masculinity while Thailand ranks at a score of 34. This disparity in score means that China is much more driven by competition, achievement, and success. Thailand on the other hand, being on the lower end of the scale, has a society dominated by values that place importance on caring for others and quality of life. Many Chinese people will will sacrifice family and leisure priorities to work. As for the uncertainty avoidance ranking, China scores on the much lower end with a score of 34 compared to a score of 64 for Thailand. This means that people in Thailand feel much more threatened by by ambiguous or unknown situations. Thailand has developed beliefs and institutions to avoid these kinds of risky situations at all costs. The Chinese on the other hand are much more comfortable with ambiguity. This feeling is reflected in the language which is full of ambiguous meanings that can be difficult for Western cultures to follow. In both countries, they value the elderly. It is ethical for both countries children to care for and respect their older parents.

According to Hofstede's 6-D model, Greece and Brazil have similar cultures. In both countries, hierarchy is respected and inequalities are acceptable. People in power have more benefits than less powerful people. They are a strong, cohesive in-group. They are success oriented and driven. Success of one family member gives social value to everyone else in that family. They are not comfortable in ambiguous situations. They actually score the highest in uncertainty avoidance. Laws and rules are important to them. They are not open to societal change. They

prefer traditions and norms. Lastly, Greece scores a 50 in indulgence while Brazil scores a 59. As for the Greek, there is not clear preference between indulgence and restraint. Since Brazilians have a score of 50, they are considered to be an indulgent society and they are willing to realize their impulses and desires. For both countries, strategic customer service involves getting to know who you are doing business with on a personal level. It is important for people to build trust and long lasting relationships with each other before engaging in business.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.

- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Stewart, W. H. Jr., Carland, J.C., Carland, J.W., Watson, W.E., & Sweo R. (2003). Entrepreneurial dispositions and goal orientations: A comparative exploration of United States and Russian entrepreneurs. *Journal of Small Business Management*, 41(1), 27-46.
- Stewart, W., Watson, W., Carland, J.C., & Carland, J.W. (1999). A proclivity for entrepreneurship: A comparison of entrepreneurs, small business owners, and corporate managers. *Journal of Business Venturing*, 14, 189-214.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.

- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.
- Welsh, D.H.B. & Carraher, S.M. (2009). An examination of the relationship between the mission of the university, the business school, and the entrepreneurship center: An application of Chandler's strategy and structure hypothesis. *Journal of Applied Management & Entrepreneurship*, 14 (4), 25-36.

CHINA, COSTA RICA, JAPAN, LEBANON, PAKISTAN, SAUDI ARABIA, THE UAE, AND THE USA: CUTOMER SERVICE AND CULUTRAL DIFFERENCES

Eboni Turner, University of Texas at Dallas
Gregory Norman-Conchas, University of Texas at Dallas
David O'Dell, University of Texas at Dallas
Andrew Weis, University of Texas at Dallas
Ranj Agha, University of Texas at Dallas
Kevin Barahona, University of Texas at Dallas
Robert Barry, University of Texas at Dallas
Tatiana Chau, University of Texas at Dallas
Ramah Jaradat, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas
Celia Niu, University of Texas at Dallas
Muhammad Umer Modi, University of Texas at Dallas

ABSTRACT

For both Ethics and Customer Service: both Pakistan and Saudi Arabia, Islam has been given guiding principals for all human activities. However, it seems as though Pakistan is not as strict as Saudi Arabia. But in creation of Pakistan, India, Bangladesh etc, the leaders of the movement of Pakistan chose to make all of the Muslims think that being a Muslim is being an Arab. Given that Pakistan has identified themselves by the friendship they keep with Saudi, the Pakistani army has pledged their allegiance to protect the Kaaba in Mecca. From the 6 Hofstede dimensions: Power distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation, and Indulgence. Power Distance deals with the hierarchy in society and how some individuals or organizations possess more power than others. In comparison between Pakistan and Saudi Arabia, Saudi is ranked 95, meaning that people accept a hierarchical order in which everybody has a place and which needs no further justification. Individualism is the degree of interdependence a society maintains among its members. Saudi compared to Pakistan, is considered a collectivist society. This is manifest in a close long-term commitment to the member "group". Loyalty in a collectivist culture is paramount, and overrides most societal responsibility. Pakistan was ranked higher than Saudi Arabia for Masculinity. A high score on this dimension indicates that the society will be driven by competition, achievement, and success. Uncertainty Avoidance is a dimension in which has to do with the way society deals with not knowing the future. In which Saudi Arabia scored an 80. In this culture, there is an emotional need for rules. Long term orientation describes how every society has to maintain some links with its own past while dealing with the challenges of the present and future. There are two approaches to this dimension: Normative, and Pragmatic.

Saudi Arabia for normative can be seen in its low score of 36. People in these societies have a strong concern with establishing the absolute truth, in which they exhibit great respect for traditions. Lastly, indulgence; it is defined as the extent to which people try to control their desires and impulses based on how they were raised. With two types of indulgence, one being considered weak is known as "indulgence", and the relatively strong is called "restraint". Saudi Arabia seem to be in the middle; they do not have a clear preference on this dimension. In both countries ethics is a big part of the business culture. Every year, new rules and regulations are passed to improve ethical standards in businesses. In US, Sarbanes-Oxley law was passed after the Enron scandal to keep the public accounting firms away from making future unethical decisions. In UAE, the code of Ethics and Professional Conduct is a law that was passed in 2010 that promotes workers to perform their duties within the limits of the powers granted to them, and to do so in good faith, without any ill-intent, negligence, violation of any laws, or harming public interest to achieve any personal interests for themselves or others.

In cultural dimension, UAE differs vastly in most aspects in comparison to the US. According to Geert Hofstede's cultural dimension, UAE is about 50 percent more power distant and 66 percent less individualistic than the United States. In the UAE, most businesses have a top-down hierarchy system where the head of the company is the one that makes most of the decisions. Thus, people are comfortable working with this system and respect the ones that are above them. The individualism score is really low compared to the US because of the people in the UAE, prefer to work in groups than individually. They believe that it is important for each person to be responsible for one another's task even though it might be an individual task. Rules and regulations on conducting business in the UAE are a lot different than the United States. In the US, there are many privileges given to a business person, but in UAE it depends on the region and the type of the business that is being conducted. If a foreign business person wants to open a local company, then he/she may only be entitled to more the 49 percent of the company's profit and the government may own 51 percent of the capital of the business. However, to encourage foreign business people to invest, UAE's government has set up free zone regions where the foreign business person can have 100 percent right of ownership of their business and have no commitment to share their profits and capitals. One of the biggest advantages of conducting business in UAE is about their taxation. Except for oil and bank companies, there is no federal corporate or income tax imposed in UAE. In addition, free zone businesses benefit the most because they don't have to pay taxes for at least 15 years that can be renewed up to 50 years. Every country in the world has their own form of ethics. The United States has good ethics if it overwhelms pressure and opportunity. There are laws in the United States to help prevent people from breaking ethics in their workplace such as the Sarbanes-Oxley. This act helps the need for better internal controls and makes it harder to break. However, breaking ethics in the personal lives of the Americans is much more frequent and is easier. People seem to be unethical in relationships and trust. In Iraq, ethics is very good amongst relationships of people as they have more trust with each other. Ethics amongst the workplace is non-existent as there are no laws for internal controls, and employees can do whatever they wish in the market place. In the 6D model, the United States has a very low power distance since this country was founded on the basic roots of freedom and equality for all. In a country like Iraq, the power distance is very high at a staggering 95 which shows a very large

inequality amongst its people. Individualism is very high in the United States since we are one of the best countries in the world to start entrepreneurship. Individualism in Iraq is very low as the population tends to work together and help each other. The uncertainty avoidance is also a big difference in these two countries. Iraq has a very high uncertainty avoidance since the people do not know what the future holds for them ever since the fall of Saddam Hussein and the rise of the Islamic State. The United States has always been a safe country because we have mainly been free of threats from other countries. The last major difference in these countries is indulgence. The United States has a very high indulgence rating of 68 because of our need to want many things as children. In a country like the United States, it seems that money can buy anything and thus a weak control over impulses. In a country like Iraq, the restraints are stronger and thus have a lower indulgence. The United States has been a leader in the world when it comes to strategic customer service. No other country in the world has such great customer service as we do in the United States as there is such high competition in this country so companies need to treat their customers very well. In a country like Iraq, the competition is less. Companies do not need to worry about strategic customer service as much.

With Hofstede's 6D Model, Lebanon's power distance is at a high 75, compared to Costa Rica's power distance of 35. Power distance refers to how people accept inequality in power. Since Lebanon has a high power distance, they accept the hierarchical order of power, in which people accept that there is one autocratic boss whom which people take orders from. Lebanon also scores a 40 on Individualism, which shows that they have a collectivistic society, compared to a 15 with Costa Rica; 65 in Masculinity, which reveals a society based on competition and achievement, as compared to 21 in Costa Rica; a 50 in Uncertainty Avoidance- which refers to the way a society sees the future in terms of control or letting it happen- as compared to an 86 with Costa Rica, a 14 on Long-term orientation and a 25 on Indulgence. Lebanese people are friendly and generous. Family in Lebanon extends passed the American nuclear family to include grandparents, aunts, uncles, and other members of extended family, which is shown in the low score for individualism. Lebanese people are also very successful when it comes to entrepreneurial small business. They are very formal when it comes to business, and eye contact is very important. In recent years, however, there has been some ethical concerns that have arisen. Lebanon has had some cases of corruption and misuse of investor funds, with limited success in stopping it, which could correspond to the high masculinity and competition that exists in the Lebanese culture. Costa Ricans have a high score on Uncertainty Avoidance, which means that the society as a whole tends to be anxious towards an uncertain future. Because of this, Costa Rica has implemented many policies and strict rules to ensure that nothing uncertain happens. Costa Ricans are very punctual people, and their usual form of greeting is a firm handshake. Personal relationships are also very important in business in Costa Rica, so it is advised to make multiple trips and maintain that personal connection. This makes sense, seeing that Costa Rica's score on individuality is a 15, making it a more collectivist society than Lebanon. Because of this, customer service tends to be very humane.

Japan and China are the two major Asian economies. To the West, the two countries can seem fairly similar economically and culturally due to the tendency to (wrongly) group together all Asian cultures as one in the same. However, it could not be farther from the truth. Japan and

China are two very different nations, culturally. Look no further than Hofstede's Cultural Dimensions to show that Japan and China have different cultures. The Western idealization of Asia; that of the fanatically-collectivist, honor-obsessed, warrior-monk culture, while true in parts of both Japan and China, it is not as obvious as one might think. Democratic, capitalist Japan is far more individualistic than the Communist Chinese, especially by Asian standards. While the Japanese religiously follow the chain of command and most always defer to their superiors, there are many opportunities in Japan to rise to the top through hard work and merit. In China, it is often party loyalty or nepotism that earns high level positions, and acting against the wishes of the party can often make an individual persona non-grata. The Japanese are obsessed with competition, from birth until death, and doing better than other groups or other teams. This is manifested in Japanese business through the art of kaizen, continuous improvement. Being the best is still not enough for most Japanese businesses, as companies will always battle for the highest quality product. This is why Westerners often see Japanese products as extremely high quality and reliable. In China, again due to communism, competition is not highly valued, but throughout Chinese history, imitation has been. The West rarely sees high-quality original products come from China; but often, low-to-mid-quality Chinese imitation products offered at lower prices than American or Japanese made goods. Both Japan and China are cultures of restraint in both personal and corporate worldviews, however, due to American influence in Japan and Japan's overwhelming economic success since World War II, Japan is seen as a more indulgent country. Japan has one of the world's highest Human Development Index ratings and has the world's longest life expectancy. Much of China is still extremely rural and impoverished, where the large majority are still participating in subsistence agriculture. It can be argued that Japan has no reason to be so restrained and that the only reason the Japanese continue to do so is their history and honoring their past. China, conversely, is required to be restrained due to the huge disparity between its westernized special economic zones and their rural inlands.

For centuries, Japan has battled not only against foreign influence and internal strife but also against the forces of mother nature. This has turned the Japanese into a culture of preparation and ritual. The Japanese in business act like the Japanese in disaster preparedness, evaluating and planning ahead for every threat, internal and external, and being meticulous when it comes to these plans. The Chinese have a long history of being subject to repeated foreign invasions and historically were never able to repel the Mongols, Manchu, and the consistently changing dynasties of the Chinese Imperial Families. Thus, their abilities to plan for uncertainty are markedly less than the Japanese, since there were so many uncertainties, it was impossible to plan for. Strategic customer service is a real life, daily manifestation of Japanese and Chinese cultures and how they are measured on Hofstede's dimensions. In Japan, correct customer service rituals bring honor and good fortune to the business. Everyone from the lowest employee to the CEO are trained and observed through the lens of kaizen and business etiquette. To make one mistake would bring dishonor to the company, and by extension, yourself. This is why there are still stories to this day of Japanese salarymen committing seppuku (honorable suicide) after scandals in Japanese businesses. In China, the employee's connection to the company is not so stressed or important. Since China's population is so large, employees are seen as just another commodity like machinery or raw materials. They serve a purpose, to make goods. This is why Chinese employees often

commit suicide from overwork and unreasonably high stress. It seems as if the Japanese value their employees too highly and the Chinese do not value their employees enough.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.

- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.

ETHICS AND CULTURAL DIFFERENCES BETWEEN SOUTH KOREA, SPAIN AND THE USA

Lilly Nguyen, University of Texas at Dallas

Van Le, University of Texas at Dallas

Dayanira Torres Palacios, University of Texas at Dallas

Dorcas Kimani, University of Texas at Dallas

Sandy Pachicano, University of Texas at Dallas

Abel Alex, University of Texas at Dallas

Taehee Kim, University of Texas at Dallas

Taejun Seo, University of Texas at Dallas

Shamis Saleh, University of Texas at Dallas

Nelson Mavares, University of Texas at Dallas

Samuel Lane, University of Texas at Dallas

ABSTRACT

The United States and Spain differ greatly when it comes to Hofstede's Cultural Dimensions. The United States has a high individualism dimension while Spain has a low one. This means that the Spaniards care more about collectivism, whereas the United States is more focused at an individual level. Another dimension that has a big contrast is the uncertainty avoidance index. The United States has a relatively low index where Spain has an index of 86. This means that Spaniards are more likely to avoid taking risks compared to the United States. In regards to ethics, businesses in the United States usually adhere to strict regulations set by various administrative entities in each industry. For example, financial firms have to abide by rules and regulations set by FINRA and the SEC. Accounting firms adhere to the GAAP. In Spain, companies have to answer to the government, as they heavily regulate the business environment. What does all of this information mean? The United States sees more equally across the board, while Spain has a greater tendency to be condescending and to boost inequality. Managers in the US are expected to consult the workforce on decisions. There is a dramatic difference when compared to Spain, where individualism is cut by half.

In terms of Strategic customer service, the United States and Spain are very similar. Companies in both countries aim to provide the customer with the best experience to gain more businesses. Both countries try to give fast, friendly, and efficient service to their customers. One big customer service strategy is related to masculinity. In the US, most of the reception/desk jobs are occupied by women. This can be directly linked to the US having a moderately high masculinity rating. This also implies that men get higher paying jobs/positions as opposed to women in the workforce. In Spain, this rating is lower which means that there might be more females working in higher positions. Ethics correlate to indulgence because indulgence involves giving in to

pleasures now rather than waiting. The US has a higher rating in this category, which leads me to conclude that the US is more likely to commit fraud. There are three reasons why someone commits fraud. Pressure, rationalization, and opportunity to complete the fraud triangle. Because of this, we can infer that pressure is caused by uncertainty avoidance, rationalization is caused by the lack of long term orientation, and opportunity is caused by indulgence. Spain shows to be almost the entire opposite in these three categories. Spain's business culture is divided into two main categories. First, are the larger businesses that have significant foreign involvement or interaction. These businesses have usually adopted many international management techniques and styles, such as those prevalent in the United States. Second, are the smaller companies which retain many of their traditional values and practices. Hierarchy is as an important aspect of Spanish business and social culture. Spanish ethics in business dictate that employees respect authority and follow the orders of their superiors. This has made Spaniards quite easy to relate with certain cultures, mainly non-Europeans, in contrast to other cultures that can be perceived as aggressive and blunt. On the other hand, teamwork is considered as something totally natural, employees tend to work in this way with no need for strong motivation from Management. This could be due to the fact that Spanish children are educated in search of harmony, refusing to take sides or standing out.

Uncertainty avoidance defines Spain very clearly with a high score of 86. Spain is considered the second noisiest country in the world. People like to have rules for everything, changes cause stress, but at the same time, they are obliged to avoid rules and laws that, in fact, make life more complex. Confrontation is avoided as it causes great stress and scales up to the personal level very quickly. There is a great concern for changing ambiguous and undefined situations. Thus, for example, in a very recent survey 75% of Spanish young people wanted to work in civil service, whereas in the United States only 17% of young people would do that. In comparison to Spain, Americans are more comfortable doing business or interacting with people they do not know very well. Thus, Americans are not shy about approaching their prospective counterparts in order to obtain or seek information. In the business world, employees are expected to be self-reliant and display initiative. Also in America, within the exchange-based world of work, we see that hiring, promotion and decisions are based on merit or evidence of what one has done or can do.

Since Geert Hofstede's six-dimensions model of national culture briefly demonstrates cultural differences of various countries, the model is handy to compare cultural differences of many countries and to have a glimpse of one particular country's characteristic without visiting or experiencing the country or culture. The model has six basic issues or features that have shaped one particular society's foundation and root, which shows the distinctiveness of the society. These are Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation, and Indulgence. Each dimension is scaled from 0 to 100 and the score depicts the degree of each dimension. The results of Hofstede's six-dimensions model for two countries, South Korea and the US, are considerably similar to general thoughts, or stereotypes, describing both countries. In general, US is depicted as having a strong individualism and casual culture while South Korea is often described as having a hierarchical and stiff or formal culture. According to the results of Hofstede's six-dimensions model, South Korea shows high scores in power distance, uncertainty

avoidance, and long-term orientation while showing low scores in individualism, masculinity, and indulgence. Meanwhile, US has low scores in power distance, uncertainty avoidance, and long-term orientation and high scores in individualism, masculinity, and indulgence, which is almost opposite result compared to South Korea's scores. South Koreans often prioritize group's outcome and success over individual's success and improvement, which inevitably results in having a much higher tolerance over uneven distribution of power or authority. Since top-to-bottom culture is prominent in South Korea, unforeseen and uncertain events or risks are generally unwelcome and many people try to detour or avoid risks. On the other hand, Americans generally value individual's privacy and freedom and more open to express their thoughts and opinions to people regardless of their hierarchical position. Hence, people have much casual and flat culture compared to South Korea and other Asian countries, which tends to elicit and materialize innovative and creative thoughts and breakthroughs.

Living in the United States and being emerged in the world of Business in the U.S, it is possible for one to view all forms of Business practices in one manner. However different cultures teach different values and what might be politely and safe way to conduct business in one culture can be highly insulting in another. Ethics play a vital role in the upbringing of an organization. From the ground up, the individuals who create and run the organization put unparalleled attention and time towards the ethical standards the company is run. This determines the overall perspective of the company from customers, colleagues or even an investors point of view. Although many organizations try to abide by the code of conduct each of them creates, there are times when this code is violated. Many times, the violation of these codes directly oppose the ethical standard of conducting business or it could only have a limited effect. Nevertheless, the fact that these ethical standards were violated for any kind of gain can cause an organization to fall through the cracks. If an only if the issue is found and corrected in a timely manner can a company or an organization revive its reputation or the damages caused. Looking at Hofstede's 6D model one of the defining difference, also the largest difference I saw was in the Individualism category. United States which scored particularly high in this category was because of the importance is given to one another as to take care of their own self as to no one else will. This increases the individual's mindset to better their own self rather than in a group. However, in South Korea, there is a completely opposite view on this matter. The South Korean society believes in a collectivistic society which puts preference towards the family and what it means in the society. Ideas for future research can be garnered by examining the research of the Carlands and the Carrahers.

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J. & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.

- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, SM. (2012) "The future of the Journal of Management History", *Journal of Management History*, 18 (1).
- Carraher, SM (2012) "Global and empirical management history?", *Journal of Management History*, Vol. 18 Iss: 3
- Carraher, SM (2012) "Social entrepreneurship: interviews, journal surveys, and measures", *Journal of Management History*, Vol. 18 Iss: 4
- Carraher, SM (2013) "ISI, social entrepreneurship, and research", *Journal of Management History*, Vol. 19 Iss: 1
- Carraher, SM (2013) "Signaling intelligence, management history, marry-go-round, and research", *Journal of Management History*, Vol. 19 Iss: 2.
- Carraher, SM (2013) "Follett, Barnard and Taylor", *Journal of Management History*, Vol. 19 Iss: 4
- Carraher Shawn M. , (2014) "Consumer behavior, online communities, collaboration, IFRS, and Tung", *Journal of Technology Management in China*, Vol. 9 Iss: 1.
- Carraher, SM. (2014) "Technology, AACSB and research suggestions", *Journal of Technology Management in China*, Vol. 9 Iss: 2.
- Carraher, SM., (2014) "Cambridge Business & Economics Conference best papers and Anne Tsui", *Journal of Technology Management in China*, Vol. 9 Iss: 3.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.

- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.

Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs.
Journal of Innovation Management, 1(1), 143-157.

CHILE, GERMANY, IRAN AND SAUDI ARABIA: CULTURAL DIFFERENCES IN CUSTOMER SERVICE

Nousheen Karimi, The University of Texas at Dallas
Viswanathan Sundaresan, The University of Texas at Dallas
Kevin Barahona, The University of Texas at Dallas
Joselyn Quiros, The University of Texas at Dallas
Shruti Amin, The University of Texas at Dallas
Samuel Lane, The University of Texas at Dallas

ABSTRACT

Customer service varies greatly from person to person, but there are cultural patterns that are prevalent depending on the environment they were raised in. Countries such as Chile, Germany, Iran, and Saudi Arabia differ greatly in customer service as a result of their power distance, the way they complete tasks, and how closely they follow rules. These cultural attributes can be seen and linked across the countries' Hofstede's model. Germany is used as the basis of comparison for each country when focusing on the 6 dimensions of the model: power distance, individualism, masculinity, uncertainty avoidance, long term orientation, and indulgence.

To begin, Chileans rely more on collaboration to complete tasks, while Germans are more individualistic and prefer to work alone. This is evident in the Hofstede model where Germany scores 67 while Chile only scores 23 in individualism. Because of high individualism in Germany, employees are more likely to be honest with one another, leading to quicker lessons from mistakes. Chile and Germany both have strong customer service etiquette, but Germany is slightly better with its high standards on serving customers and treating them with respect. Germans are very rule oriented and will not break rules to complete work faster. On the other hand, if jobs need to be completed more efficiently, Chile will be better at this. They often do work that is under the table and can pull strings if necessary.

Business ethics and code of conduct vary drastically among different countries and cultures. In regards to ethics, Chileans are less ethical compared to Germans. If Germans give you their word to complete a task, they will honor it and try to complete it to the best of their abilities. Chileans, on the other hand, may decide to cancel their honor last minute and fall through on agreements. However, Saudi Arabia emphasizes the religious ethics of Islam, increased hospitality, and building relationships before beginning business. Germany focuses on detail oriented work, a slower paced work model, and bluntness in the work environment. Nonetheless, there are distinct similarities between both countries including certain formalities, treating others properly by title and rank, and maintaining relationships beyond the project at hand. They pride themselves in having personal integrity, punctuality, and high levels of loyalty.

Looking deeper into Saudi Arabia and Germany, there are several components to Hofstede's model that bring to light the contrasts of societal norms. Saudi Arabia does not promote equality, but rather provides its people with a hierarchical order with centralized power that everyone simply abides by. This leads to a collectivistic society that promotes long-term loyalty to a particular member group. Germany's social norm is on the opposite end of the spectrum with minimal inequalities, decentralized power, and a strong middle class. Therefore, they focus on self-actualization, are loyal to those who they deem worthy, and are focused on building the parent-child relationship rather than member groups. Although these countries are drastically different in power distance and individualism, both strive for high performance, emphasis on equity and status, and function based on the "live to work" mantra. Because of the focus on high performance and excellence, both countries have a high uncertainty avoidance that are evident in their attention to detail, strict rules and regulations, and laws. Saudi Arabia is not expected to change its ways anytime soon due to its current time honored traditions, lack of savings and investments for the future, and need for instant gratification. With so much emphasis on the now, it is difficult for them to begin working toward any changes in the future. Germany is much more pragmatic by quickly adapting to changing traditions, saving and investing for the future, and preserving for results. However, their hindrances could be the restraint on indulging in leisurely things, constant cynicism and pessimism by society, and overly controlled gratification. Saudi Arabia has not shown any clear preference toward whether the country leans toward indulgence or restraint, but it seems to be gradually moving toward restraint.

After analyzing Saudi Arabia and Germany, it is evident that both are excelling with their respective societal norms. In order to maintain excellence, both must adhere to their customer's satisfaction with new strategic plans to keep consumers happy. Five key implementations into Saudi Arabia's customer service are listening to the customer, making the customer experience meaningful, educating employees to better serve the consumer, evaluate the digitized user experience, and act on the insights from surveys and feedback. Although these may seem obvious for any business, it has been prevalent in Saudi Arabia for businesses to not follow simple steps such as listening or educating employees to improve customer satisfaction. Similarly, Germany has six customer service strategies to implement across the country. These include employees that speak the native language, abiding by rules and regulations, decreasing customer wait times, training employees, and providing honest and transparent service to customers. Each of these strategies is based not only by feedback, but also by how society functions as listed in Hofstede's model. Whether it is ethics or customer satisfaction, a country's future success is tied to the key elements that make up its social norms.

These elements are emphasized when comparing and contrasting Iran and Germany. Iran is a very family oriented country. Individuals are usually closely connected to their familial units and tend to remain with that unit for the entirety of their lives. This is a stark contrast to Germany's very individualistic culture, which is probably derived from its western form of capitalism.

Surprisingly, Germany has a higher masculinity score than Iran. This is surprising considering Iran is a Muslim-majority country, and religion dictates many aspects of their lives. Iranians are less concerned with the long-term partially due to the unstable state of the Middle East. Their actions can be directly traced to the derailing of Iran's progress into the modern era.

All these factors make it hard for citizens of Iran to plan too far into the future, directly contrasting Germany's long-term outlook. However, a culture like Germany puts far less emphasis on caring for others and is highly competitive; a dog-eat-dog culture if you will. Within the highly competitive environment, Germans have a smaller scope for effective customer service than Chile.

As proven through the examples above, customer service is heavily tied to the cultural norms of a particular society. The stark cultural differences between Chile, Germany, Saudi Arabia, and Iran show the impact that culture can have on businesses and customer service. Hofstede's model provides a deeper understanding of these differences and aids in determining what the best strategies are for improvement within the scope of the country.

REFERENCES

- Ahmed, ZU., Zgheib, PH, Carraher, SM & Kowatly, AK. (2013) "Public policy and expatriate entrepreneurs", *Journal of Entrepreneurship and Public Policy*, Vol. 2 Iss: 1, pp.42 – 53.
- Bhattacharya, T.K. & Carraher, S.M. (2008). How to teach high school students about entrepreneurial finance: The Financial Challenge *International Journal of Family Business*, 5 (1), 69.
- Buckley, M.R., Carraher, S.M., Carraher, S.C., Ferris, G.R., & Carraher, C.E. (2008). Human resource issues in global entrepreneurial high technology firms: Do they differ? *Journal of Applied Management & Entrepreneurship*, 13 (1), 4-14.
- Buckley, M., Carraher, S., & Cote, J. (1992). Measurement issues concerning the use of inventories of job satisfaction. *Educational and Psychological Measurement*, 52 (3), 529-542.
- Buckley, M., Carraher, S., Ferris, G., & Carraher, C. (2001). Human resource concerns in entrepreneurial multinational high technology firms. *Journal of Applied Management and Entrepreneurship*, 6 (1), 97-104.
- Buckley, M., Fedor, D., Carraher, S., Frink, D., & Marvin, D. (1997). The ethical obligation to provide recruits realistic job previews. *Journal of Managerial Issues*, 9 (4), 468-484.
- Buckley, M., Fedor, D., Veres, J., Wiese, D., & Carraher, S. (1998). Investigating newcomer expectations and job-related outcomes. *Journal of Applied Psychology*, 83, 452-461.
- Buckley, M., Mea, W., Weise, D., & Carraher, S. (1998). Evaluation change in public organizations: An Alpha, Beta, Gamma change perspective. In *Accountability and Radical Change in Public Organizations* (pages 229-241) edited by Ronald R. Sims, Westport, CT: Quorum Books.
- Buckley, M., Mobbs, T., Mendoza, J., Novicevic, M., Carraher, S., & Beu, D. (2002). Implementing realistic job previews and expectation lowering procedures: A field experiment. *Journal of Vocational Behavior*, 61 (2), 263-278.
- Budd, J. & Carraher, S. (1998). Validation of an inventory to measure attributes of strategic management. *Psychological Reports*, 82 (3 Pt 2), 1220-1222.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: Developing the next generation of leaders and entrepreneurs. *International Journal of Family Business*, 5 (1), 45-46.
- Burgess, S., Johnson, C., & Carraher, S.M. (2008). Cameron University Leaders and Entrepreneurs: How to develop the next generation of leaders and entrepreneurs at your university. *International Journal of Family Business*, 5 (1), 65-66.
- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2 (2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1 (2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.

- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koironen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S.M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, & Lithuania. *Baltic Journal of Management* 6 (1), 25-52.
- Carraher, S.M., Buchanan, J.K., & Puia, G. (2010). Entrepreneurial Need for Achievement in China, Latvia, and the USA. *Baltic Journal of Management*, 5 (3), 378-396.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.
- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.

- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013). The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuengwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Mea, W. & Carraher, SM (2005). Leaders speak: Success and failure in their own words. In R. Sims & S. Quatro (Eds). *Leadership: Succeeding in the Private, Public, and Not-for-profit Sectors*. Armonk, NY: M.E. Sharpe, Inc. Pp 297-317.
- McBride, A., Mendoza, J., & Carraher, S. (1997). Development of a biodata index to measure service-orientation. *Psychological Reports*, 81 (3 Pt 2), 1395-1407.
- Paridon, T. & Carraher, S.M. (2009). Entrepreneurial marketing: Customer shopping value and patronage behavior. *Journal of Applied Management & Entrepreneurship*, 14 (2), 3-28.
- Paridon, T., Carraher, S., & Carraher, S.C. (2006). The income effect in personal shopping value, consumer self-confidence, and information sharing (word of mouth communication) research. *Academy of Marketing Studies*, 10 (2), 107-124.
- Paridon, T., Taylor, S., Cook, R., & Carraher, S. M. (2008). SBI mentoring: Training SBI directors to be directors. *International Journal of Family Business*, 5 (1), 35-36.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.
- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

CHINA, MEXICO, SPAIN, URUGUAY, VENEZUELA RUSSIA, AND THE USA

Brandon Young, University of Texas at Dallas
Jacob Anderson, University of Texas at Dallas
Joshua Adeeso, University of Texas at Dallas
Jose Briseno, University of Texas at Dallas
Ségolène Rousset, University of Texas at Dallas
Samuel Lane, University of Texas at Dallas
Gabrielle Fernandez, University of Texas at Dallas
Millie Atkins, University of Texas at Dallas
Rachel DeVey, University of Texas at Dallas
Chiara Zamboni, University of Texas at Dallas
Khalid Al-Najjar, University of Texas at Dallas
Farrah Younes, University of Texas at Dallas
Ana Molina, University of Texas at Dallas
Cindy Fabela, University of Texas at Dallas

ABSTRACT

I can't think of a greater rivalry in the 20th century than the one between the United States of America and the Union of Soviet Socialist Republics. From 1947 until 1991 the two countries took part in the cold war over differences in ideologies. Both sides claimed to fight for the future of their people and believed their ideology was the only way to successfully govern and manage a national economy. Out of Geert Hofstede's six cultural dimension the United States of America and Russia only score closely in one category. That category is 'Masculinity' and the two countries have a 26-point spread. A country with a more masculine society is known to be driven by competition, achievement, and success. However, a more feminine society is known to be driven by caring for others and quality of life. The United States of America score a 62 on the masculinity scale, while Russia scores a 36 on the masculinity scale. This appears to be accurate since the United States promotes a capitalistic society with free market competition being the driving force. In the former Union of Soviet Socialist Republics their government promoted a socialist economy which discouraged the idea of competition and promoted the idea of a single class of people.

Hofstede has five other dimensions when comparing countries. They include: Power distance, Individualism, Uncertainty avoidance, Long term orientation, and Indulgence. Power distance involves the degree of power which a person or group has influence over another. The United States scores relatively low in power distance with a score of 40. Russia scores relatively high in this category with a score of 93. These two scores demonstrate that a Russian citizen would be more likely to be influenced by those with power over them. Whereas in the United States the

average citizen may not be as willing to allow those with power be a key influencer. Individualism represents how individualistic or collective a society is. A collective society is more likely to focus on the greater good for their community rather than their own personal gains. In comparison, an individualistic society is more likely to put the individual needs of one person before their community's needs. Looking at capitalistic economic theory; we anticipate buyers and sellers in a market will act towards fulfilling their own self-interest. Keeping these differences in mind between the United States of America and Russia one can better understand how to conduct themselves while doing business in either country. The world contains many different cultures, each of which are unique in their own way. Russia and Romania are two countries that share a lot of similarities when it comes to culture, such as a belief of great distance between authority and individuals. These types of similarities however present a tough question about whether cultures can be unethical. Looking more in depth at that first similarity; Is it ethical that there is such a great gap between the leaders of the country and its citizens? If not, then doesn't this bring into focus unethical situations where arrogant leaders begin to act against their own country's interests? Other cultural differences raise similar questions such as Russia's high long-term orientation scale on Hofstede's 6-D Model. Russian people are pragmatic and judge situations based upon present context giving little care about past judgement. This is a major conflict with other cultures where legal systems have been built upon precedent of past cases; how will business relationships be built between two completely different legal systems?

Despite how small the world is becoming with the continuous growth of the internet and improving traveling options, our countries may never reconcile our cultures like they were in the past. This means that business will have to continue to work hard to find the ways to successfully communicate, brand, and incorporate themselves into different cultures. Whether this means finding opportunities to improve a country's indulgence upon a purchase or to encourage people to accept and partake in new ideas. Comparing China and the US based on Hofstede's model we can see there are a few major differences when it comes to three categories of the model; these are Power Distance, Individualism, and Long term orientation. Based on Hofstede's model China and the US differ in the Power Distance. China's power distance is high meaning that they believe that inequality in society is acceptable. The US on the other hand is the exact opposite where they believe inequality is not something that is acceptable or should be accepted in society. Individualism was the other big difference. Individualism is something that is encouraged in US society but in China it's not and a great example of this is the customer service in these two countries. Lastly Long Term Orientation was something China ranked very high on which describes how as a societal whole they separate themselves and move on from the past. While the US ranked low on this showing how the US likes to stay connected with its past.

Spain and Mexico share similar dialects of the same language and maybe a few overlapping cuisines, but their true similarities are limited. Spain and Mexico vary almost completely across the board regarding Hofstede's 6D model. However, they do align closely in the uncertainty avoidance. This metric measures the population's general tolerance for situations of ambiguity. Both cultures have heightened anxiety when it comes to undefined situations. Perhaps this can be attributed to the culture's Catholic religious roots or a societal need for defined rules. The biggest variance between Spain and Mexico on Hofstede's 6-D model is

indulgence. Mexico scored 97 in this category and Spain falls to 44. This measures the tendencies for people to control their impulses and desires. The kinds of impulses and desires acted on would be an interesting spectrum to examine. According to Hofstede's 6-D model, Venezuela accepts a far greater power distance than the United States. Although there has been much social upheaval in Venezuela within the past year, for a long while people have accepted the unequal balance of power between the elite and the poor. Venezuela scores quite low on the individualistic measure, while the United States score very high. Collectivism is ingrained within Venezuelan culture, just as "rugged individualism" is inherent to U.S. culture. Therefore, coming to a collective agreement and not sticking out of the group is an important aspect in the Venezuelan culture. Both Venezuela and the United States are masculine societies, and because Venezuela is collectively minded, it is important for people to be part of a group that they think will succeed in comparison to another group. The competition and pushing to be the best is done at the group level rather than the individual level like in the United States. Venezuela has a high uncertainty avoidance score, indicating that Venezuelans want to make sure that they have structure and rules to help show what the future holds. Though they do not always follow those rules, and it takes a lot to change them. Venezuela and the United States both have low long-term orientation scores. They care about achievements, and respecting the traditions of the past. Venezuela scores the highest it can in relation to indulgence. This suggests that as a culture, Venezuelans tend to be impulsive, fun-loving, and eager to enjoy their leisure time here and now. The United States scores within the top half of indulgence, but lower than Venezuela.

Based on the viewing of the 6-D model comparison between the two countries, it seems like both U.S. and Venezuela, regarding ethical positions, believe though there should be rules and laws in place, they should not always be followed to the letter. Venezuela, however, views that the group is more important than the individual. Sometimes sacrifices must be made to elevate the group at the expense of others. Customer service in both countries are relationship driven. It is easier to receive better service when putting up a genuine interaction with the clerk or attendant. As far as strategic customer service goes, a company who desires to sell a product to Venezuelans would require the collective buy in of a group rather than one trendsetter passing on the idea to the masses. Marketing campaigns would need to show family, fun, and the benefits that would help elevate certain groups over others, but products must firmly help people maintain their position within their group. In the United States, however, the attempt must be made to market products in an authentic way that makes it seem like they provide the individual with a way to stand out from the crowd. This must be done convincingly, but the goal is to make a product seem to be customized to one person's taste, when many, many people also buy those products to make themselves stand out. An example of this would be the iPhone, offered in a myriad of colors. This customization makes it feel like the product is catered to one person's taste. But of course, it is simply a cheap trick that appeals to the desire for individualism. Respected in both cultures to make an effort. Finally, the strategy of customer service is to go out of the way and inform/help the customer. While similar to a certain degree in Saudi, it is not as prominent as in the US.

Uruguay has one of the best-educated workforces in the Southern American continent. Because the country highly values its business ethics, government, and businesses tend to behave ethically. According to Hofstede's 6D model, Uruguay tends to avoid uncertainty and to respect

each other's' role/position. The Uruguayan culture doesn't look that much into future goals and long-term plans and is not an individualistic society; instead, family and relationships are highly valued. Despite many businesses set customer service as a priority, few of them have the resources to provide a good service that doesn't disappoint customers. There might be the intention, but not the possibility and resources to implement strategic projects to improve customer service.

Presentation can be found at the following link:

<https://groups.google.com/forum/#!topic/igbr/05MMt390ask>

REFERENCES

- Carland, J. & Carland, J. (1993). The role of personality in new venture creation. *Entrepreneurship, Innovation and Change*, 2(2), 129-141.
- Carland, J & Carland, J. (1995). The case of the reluctant client. *Journal of the International Academy for Case Studies*, 1(2), 76-79.
- Carland, J. & Carland, J. (1997). A model of potential entrepreneurship: Profiles and educational implications. *Journal of Small Business Strategy*, 8 (1), 1-13.
- Carland, J. & Carland, J. (2003). Pawn takes queen: The strategic gameboard in entrepreneurial firms. *Academy of Strategic Management Journal*, 2, 93-104.
- Carland, J. & Carland, J. (2004). Economic development: Changing the policy to support entrepreneurship. *Academy of Entrepreneurship Journal*, 10(2), 104-114.
- Carland, J. & Carland, J. (2006). Eminent domain: What happens when the state takes part of your land? *The Entrepreneurial Executive*, 11, 95-113.
- Carland, J.A.C., & Carland, J.W. (1991). An empirical investigation into the distinctions between male and female entrepreneurs managers. *International Small Business Journal*, 9 (3), 62-72.
- Carland, J.A., Carland, J.W., & Stewart, W.H. (1996). Seeing what's not there: The enigma of entrepreneurship. *Journal of Small Business Strategy* 7 (1), 1-20.
- Carland, J., Carland, J.A., & Abhy, C. (1989). An assessment of the psychological determinants of planning in small businesses. *International Small Business Journal*, 23-34.
- Carland, J., Carland, J., & Carland, J. (1995). Self-actualization: The zenith of entrepreneurship. *Journal of Small Business Strategy*, 30-39.
- Carland, J.W., Carland, J.A., & Hoy, F. (1992). An entrepreneurship index: An empirical validation. Babson Entrepreneurship Conference, Fontainebleau, France.
- Carland, J.W., Carland, J.A., Hoy, F., & Boulton, W.R. (1988). Distinctions between entrepreneurial and small business ventures. *International Journal of Management*, 5 (1), 98-103.
- Carland, J.W. III, Carland, J.W., Carland, J.A., & Pearce, J.W. (1995). Risk taking propensity among entrepreneurs, small business owners and managers. *Journal of Business and Entrepreneurship*, 7 (1), 12-23.
- Carland, J.W., Carland, J.C., & Koiranen M. (1997b). The exportation of the American model of entrepreneurship: Reality or illusion? A comparative trait study of American and Finnish entrepreneurs. *Paper presented at the International Council of Small Business World Conference*, San Francisco, CA. June 1997.
- Carland, J.W., Hoy, F., Boulton, W.R., & Carland, J.A.C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, 9 (2), 354-359.
- Carland, J.W., Hoy, F., & Carland, J.A.C. (1988). Who is an entrepreneur? is the wrong question. *American Journal of Small Business* 12 (4), 33-39.
- Carraher, S. & Buckley, M. R. (1996). Cognitive complexity and the perceived dimensionality of pay satisfaction. *Journal of Applied Psychology*, 81 (1), 102-109.
- Carraher, S. & Buckley, M. (2005). Attitudes towards benefits among SME owners in Western Europe: An 18-month study. *Journal of Applied Management & Entrepreneurship*, 10 (4), 45-57.
- Carraher, S. & Carraher, C. (1996). ISO 9000. *Polymer News*, 21, 21-24.

- Carraher, S. & Carraher, S.C. (2005). Felt fair pay of small to medium, sized enterprise (SME) owners in Finland and Latvia: An examination of Jaques' equity construct. *Journal of Small Business Strategy*, 16 (1), 1-8.
- Carraher, S. & Carraher, S.C. (2006). Human resource issues among SME's in Eastern Europe: A 30 month study in Belarus, Poland, and Ukraine. *International Journal of Entrepreneurship*, 10, 97-108.
- Carraher, S., Carraher, S.C., & Whitely, W. (2003). Global entrepreneurship, income, and work norms: A Seven country study. *Academy of Entrepreneurship Journal*, 9 (1), 31-42.
- Carraher, SM, Crocitto, MM, & Sullivan SE. (2014) "A kaleidoscope career perspective on faculty sabbaticals", *Career Development International*, Vol. 19 Iss: 3, pp.295 – 313.
- Carraher, S.M., Parnell, J., & Spillan, J. (2009). Customer service-orientation of small retail business owners in Austria, the Czech Republic, Hungary, Latvia, Slovakia, and Slovenia. *Baltic Journal of Management*, 4 (3), 251-268.
- Carraher, S., Scott, C., & Carraher, S.C. (2004). A comparison of polychronicity levels among small business owners and non business owners in the U.S., China, Ukraine, Poland, Hungary, Bulgaria, and Mexico. *International Journal of Family Business*, 1 (1), 97-101.
- Carraher, S., Sullivan, S., & Carraher, C. (2004). Validation of a measure of international stress: Findings from multinational health service organization professionals. *Journal of Applied Management & Entrepreneurship* 9 (3) 3-21.
- Carraher, S., Sullivan, S. & Carraher, S.C. (2005). An examination of the stress experience by entrepreneurial expatriate health care professionals working in Benin, Bolivia, Burkina Faso, Ethiopia, Ghana, Niger, Nigeria, Paraguay, South Africa, and Zambia. *International Journal of Entrepreneurship*, 9, 45-66.
- Carraher, S.M., Sullivan, S.E., & Crocitto, M. (2008). Mentoring across global boundaries: An empirical examination of home- and host-country mentors on expatriate career outcomes. *Journal of International Business Studies*, 39 (8), 1310-1326.
- Carraher, S.M. & Van Auken, H. (2013), The use of financial statements for decision making by small firms. *Journal of Small Business & Entrepreneurship*, 26, (3), 323-336.
- Carraher, S.M. & Welsh, D. H. (2009; 2015). *Global Entrepreneurship*. Kendall Hunt P.
- Carraher, S.M., Yuyuenyongwatana, R., Sadler, T., & Baird, T. (2009). Polychronicity, leadership, and language influences among European nurses: Social differences in accounting and finances, *International Journal of Family Business*, 6 (1), 35-43.
- Chan, S. & Carraher, S. (2006). Chanian chocolate: Ethical leadership in new business start-ups. *International Journal of Family Business*, 3 (1), 81-97.
- Crocitto, M., Sullivan, S., & Carraher, S. (2005). Global mentoring as a means of career development and knowledge creation: A learning based framework and agenda for future research. *Career Development International*, 10 (6/7), 522-535.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). An institution-based view of global IPR History. *Journal of International Business Studies*, 48 (7), 893-907.
- Peng, M.W., Ahlstrom, D., Carraher, S.M., & Shi, W. (2017). History and the Debate over Intellectual Property. *Management and Organization Review*, 13 (1), 15-38.
- Scarpello, V. & Carraher, S.M. (2008). Are pay satisfaction and pay fairness the same construct? A cross-country examination among the self-employed in Latvia, Germany, the UK, and the USA. *Baltic Journal of Management*, 3 (1), 23-39.
- Sethi, V. & Carraher, S. (1993). Developing measures for assessing the organizational impact of information technology: A comment on Mahmood and Soon's paper. *Decision Sciences*, 24, 867-877.
- Smothers, J., Hayek, M., Bynum, L.A., Novicevic, M.M., Buckley, M.R., & Carraher, S.M. (2010). Alfred D. Chandler, Jr.: Historical impact and historical scope of his works. *Journal of Management History*, 16 (4), 521-526.
- Sturman, M. & Carraher, S. (2007). Using a Random-effects model to test differing conceptualizations of multidimensional constructs. *Organizational Research Methods*, 10 (1), 108-135.
- Sullivan, S.E., Forret, M., Carraher, S.M., & Mainiero, L. (2009). Using the kaleidoscope career model to examine generational differences in work attitudes. *Career Development International*, 14 (3), 284-302.

- VanAuken, H. & Carraher, S.M. (2012). An analysis of funding decisions for niche agricultural producers. *Journal of Developmental Entrepreneurship*, 17 (2), 12500121-125001215.
- Van Auken, H. & Carraher, S. (2013). Influences on frequency of preparation of financial statements among SMEs. *Journal of Innovation Management*, 1(1), 143-157.

THE PRACTICE OF LEADER-MEMBER EXCHANGE: AN ORGANIZATIONAL DIAGNOSIS

John Finley, Columbus State University
Rick Mattson, University of Tennessee-Chattanooga

ABSTRACT

This organizational diagnosis examines the extent to which changes to leader-member reporting relationships contribute to organizational trust. Extending prior research on leader-member exchange (LMX), and the integration of research and business literature regarding trust, we discuss some of the consequences of major and hidden transitions impacting a leader's ability to develop relationships with followers. This paper identifies an organization's incomplete understanding of its organizational trust, leading to the treatment of symptoms rather than the contributing factors. With the formation of LMX as a temporal phenomenon, the authors discuss how leaders distinguish clock time versus event time. Implications for practice include factors leading to transactional versus transformational exchanges as well as options for organizational responses such as attempting to stabilize direct reporting relationships or supplementing leadership support by offering transition coaches. Further, we recommend an approach to data analysis, preliminary hypotheses and propose more attention to time-related considerations in the development of LMX and its correlation with trust.

AN INTEGRATED MODEL OF RELATIONSHIP REPAIR: REINTRODUCING THE ROLES OF FORGIVENESS AND TRUST

Kimberly A. Mccarthy, California State University, San Marcos

ABSTRACT

Communication and management scholars have only recently begun to examine the processes of relationship repair and forgiveness. However, due to the current social and political climate of hostility and volatility, awareness of its importance is growing quickly. The amount of research on trust repair and forgiveness has increased dramatically over the past decade, but the conceptual framework for these constructs has not kept up with empirical research on the topics. In this paper, I summarize the work that has been done on relationship repair, trust repair, and forgiveness, discuss several areas of opportunity, and propose an updated conceptual model that integrates the three domains.

Keywords: relationship repair, trust repair, forgiveness, trust

IMPACT OF ADVERTISING, PERSONAL SELLING AND SALES PROMOTION STRATEGIES ON THE PERFORMANCE OF NIGERIAN BREWERIES PLC., KADUNA NIGERIA.

Chinelo Grace O. Nzelibe, University of Abuja International Business School
Bissan Danladi Joseph Ezekiel, University of Abuja
Victoria Ogwa Adikwu, University of Abuja

ABSTRACT

This study examines the impact of advertising, personal selling and sales promotion strategies on the performance of Nigerian Breweries Plc. Kaduna, Nigeria with respect to the brewery's sales volume, profit and market share. A sample size of 257 respondents was derived using Krejcie and Morgan (1970) from the total population of 773 employees across the three main departments (Marketing, Production and Human Resources). Data was collected using structured Questionnaire and interviews. Correlation and regression models were used in analyzing the data collected. Results revealed that the company's advertising strategy stimulated more customer patronage than personal selling strategy in terms of increase sales volume and profits. Also, results revealed that sales promotion form of promotional strategy has a positive significant relationship with market share. The study concluded that the company should pay more attention to advertising and sales promotion strategies as a major means of persuading or appealing to its customers for products patronage so as to boost the company's sales volume, profit and market share. The study recommended the increase use of advertising and sales promotion strategies activities as the means of creating awareness for the company's products.

Keywords: promotional strategy, advertising, personal selling, sales promotion and performance.

A SHORT BUT USEFUL DEFINITION OF MARKETING – “EXCHANGING VALUE TO SATISFY STAKEHOLDER NEEDS PROFITABLY AND ETHICALLY”

**Hyung-Jin “Michael” Park, University of Tennessee at Martin
Stephen Shin, Belmont University**

ABSTRACT

A particular challenge we have faced in teaching students in the course of ‘Principles of Marketing’ is a lengthy definition of marketing provided by the American Marketing Association. Because of the lengthy definition, it is difficult for the students to remember the definition of marketing. Therefore, we suggest a short definition of marketing as “exchanging value to satisfy stakeholder needs profitably and ethically.” This short but useful definition may benefit students and the public alike.

INTRODUCTION

A particular challenge we have faced in teaching students in the course of ‘Principles of Marketing’ is a lengthy definition of marketing provided by the American Marketing Association. The definition of marketing, approved by the American Marketing Association in July 2013, is “The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (www.marketingpower.com).

Because of the lengthy definition, it is difficult for the students to remember the definition of marketing. When we ask the students who took the ‘Principles of Marketing’ course, surprisingly most of the students do not recall the definition of marketing. After they finish the course, most of them forget it too fast. It seems to us one of the reasons not to remember the definition lies in the lengthy definition.

It is important to remember the definition of marketing not just because it expresses the essential nature of marketing, but also because it helps students to understand what marketing is. Kotler and Keller (2009) states that “To prepare to be a marketer, you [students] need to understand what marketing is”.

One of the shortest working definitions of marketing is “meeting needs profitably” (Kotler and Keller, 2009). Though good, Kotler and Keller’s definition is too short to cover the essence of marketing.

WHAT SHOULD BE INCLUDED IN THE DEFINITION OF MARKETING?

What happens in a market? – Exchanging value

The definition of marketing should include ‘What happens in a market?’ The answer for the question of “What happens in a market?” is “Exchange happens” (Bagozzi, 1975). What is exchanged? Value is exchanged from sellers to buyers in terms of goods, services, or information, and, in turn, money is exchanged from buyers to sellers.

WHY DOES EXCHANGING VALUE HAPPEN IN A MARKET? – TO SATISFY STAKEHOLDER NEEDS

Whose needs should be satisfied?

The definition of marketing should include ‘whose needs should be satisfied’. We cannot satisfy everyone’s needs. We need to define whose needs should be satisfied. Marketing has focused on ‘customer’ needs for a long time. One of the four axioms for marketing concept was ‘customer orientation’ (Miles and Arnold, 1991). McCarthy and Perreault (1984) mention marketing is to meet explicit and latent customer needs at a profit. However, 2013 definition of marketing focuses not only on customers, but also on clients, partners, and society at large. To include not only customers, but also clients, partners, and society at large, we need to use the word of ‘stakeholders’. Customers are one of the key stakeholders (Hult et al., 2011).

Satisfying vs. Meeting

Which term is better – meeting versus satisfying? We think either meeting or satisfying can be used. However, marketing concept focuses on ‘customer satisfaction’. Therefore, we prefer the term ‘satisfying’ to ‘meeting’ in order to reflect customer satisfaction well fully.

Balancing Profitability and Ethicality

Furthermore, it should include the word - ‘ethically’. Many scholars argue that business should be done ethically (Takas, 1974; Porter and Kramer, 2002; Vitell et al., 2009; Schlegelmilch and Öberseder, 2010). Is ethicality compatible with profitability? Some people may think those interests are competing. However, Abratt and Sacks (1988) argues “Business can be profitable and socially responsible at the same time”. Several scholars support the argument (Porter and Kramer, 2002; Vitell et al., 2009).

The Bible says “Better a little with righteousness than much gain with injustice” (Proverbs 16: 8). A changing landscape of marketing calls for the complementarity of profitability and ethicality, thus legitimating (or justifying or calling for) ethicality in our new definition.

Is the short definition useful?

First, the short definition is short enough to memorize. After we teach the short but useful definition of marketing to the students, we have questioned them whether they can remember the definition of marketing. All the students except a few have remembered it.

Second, the short definition is good enough to cover the 2013 AMA's definition. 'Exchanging value' is a comprehensive term to cover 'creating, communicating, delivering, and exchanging offerings that have value' in the AMA's definition. As we mentioned earlier, the term 'stakeholder' covers 'customers, clients, partners, and society at large' in the AMA's definition. Third, the short but useful definition includes 'profitably and ethically'. This definition emphasizes not only 'profitability' but also 'ethicality'.

CONCLUSION

In conclusion, we provide a short but useful definition of marketing - "Exchanging value to satisfy stakeholder needs profitably and ethically".

With this short but useful definition of marketing, students will not forget the definition of marketing. In addition, the general public can easily memorize the definition of marketing and understand what marketing is.

REFERENCES

- Abratt, R. and Sacks, D. (1988). The marketing challenge: Toward being profitable and socially responsible. *Journal of Business Ethics*, 7 497-507.
- Bagozzi, R. P. (1975). Marketing as exchange. *Journal of Marketing*, 39 32-39.
- Hult, G. T. M., Mena, J. A., Ferrell, O. and Ferrell, L. (2011). Stakeholder marketing: A definition and conceptual framework. *AMS review*, 1(1), 44-65.
- Kotler, P. and Keller, K. L. (2009). A framework for marketing management. Upper Saddle River: NJ, Pearson Prentice Hall.
- McCarthy, E. J. and Perreault, W. D. (1984). Basic marketing. Homewood, IL, Richard D. Irwin.
- Miles, M. P. and Arnold, D. R. (1991). The relationship between marketing orientation and entrepreneurial orientation. *Entrepreneurship Theory and Practice*, 15(4), 49-65.
- Porter, M. E. and Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review*, 80(December), 57-68.
- Schlegelmilch, B. D. and Öberseder, M. (2010). Half a century of marketing ethics: Shifting perspectives and emerging trends. *Journal of Business Ethics*, 93 1-19.
- Takas, A. (1974). Societal marketing: A businessman's perspective. *Journal of Marketing*, 38(4), 2-7.
- Vitell, S. J., Ramos, E. and Nishihara, C. M. (2009). The role of ethics and social responsibility in organizational success: A spanish perspective. *Journal of Business Ethics*, 91 467-483.

THE AGE DISCRIMINATION IN EMPLOYMENT ACT (ADEA) AND RECRUITING

Gerald E. Calvasina, Southern Utah University
Richard V. Calvasina, University of West Florida

ABSTRACT

At the opening of Equal Employment Opportunity Commission's (EEOC) events to commemorate the 50th anniversary of the passage of the ADEA, presenters reported on "persistent age discrimination and stereotypes about older workers" that continues "to channel older workers out of the workforce" (EEOC, 2017 – A). Acting EEOC Chair Victoria Lipnic noted, that "with so many more people working and living longer, we can't afford to allow age discrimination to waste the knowledge, skills, and talent of older workers" (EEOC, 2017 – A). In her 2016 written EEOC testimony, Laurie A. McCann from the American Association of Retired Persons (AARP) noted a Bill Maher comment that "Ageism is the last acceptable prejudice in America" (McCann, 2016, Feldman, 2014). Recently, recruiting practices that allegedly discourage older workers from applying for open positions at a number of employers have come under the scrutiny of the EEOC. The purpose of this paper is to examine recent litigation associated with employer recruiting practices and alleged violations of the ADEA.

INTRODUCTION

At the opening of Equal Employment Opportunity Commission's (EEOC) events to commemorate the 50th anniversary of the passage of the ADEA, presenters reported on "persistent age discrimination and stereotypes about older workers" that continues "to channel older workers out of the workforce" (EEOC, 2017 – A). Acting EEOC Chair Victoria Lipnic noted, that "with so many more people working and living longer, we can't afford to allow age discrimination to waste the knowledge, skills, and talent of older workers" (EEOC, 2017 – A). In her 2016 written EEOC testimony, Laurie A. McCann from the American Association of Retired Persons (AARP) noted a Bill Maher comment that "Ageism is the last acceptable prejudice in America" (McCann, 2016, Feldman, 2014). Recently, recruiting practices that allegedly discourage older workers from applying for open positions at a number of employers have come under the scrutiny of the EEOC. The purpose of this paper is to examine recent litigation associated with employer recruiting practices and alleged violations of the ADEA.

RECENT CHARGE STATISTICS

Recent charge and litigation statistics from the EEOC add some support to the claims of "ageism" in employment but the impact of the recession that began in 2007 must also be considered. Published reports show that while unemployment rates and unemployment durations

for workers of all ages increased as a result of the recession, “durations rose far more for older workers than for younger workers” (Neumark and Button, 2014). Recently published research from AARP concluded that while “unemployment rates have been falling”, for workers over age 50, their “reality includes continued unemployment, underemployment, and discrimination” (Koenig, Trawinski, and Rix 2015).

Age Discrimination in Employment Act Charges filed with the EEOC, FY 2007 - 2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Receipts	19,103	24,582	22,778	23,264	23,465	22,857	21,396	20,588	20,144	20,857
Monetary Benefits (Millions)*	\$66.8	\$82.8	\$72.1	\$93.6	\$95.2	\$91.6	\$97.9	\$77.7	\$99.1	\$88.2

U.S. Equal Employment Opportunity Commission (2017).

* Does not include monetary benefits obtained through litigation.

Age Discrimination in Employment Act EEOC Litigation Statistics FY 2007 - 2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Suits with ADEA claims	35	41	38	38	26	30	16	13	12	12
Monetary Benefits from Suits (Millions)	\$3.1	\$30.3	\$6.7	\$5.3	\$8.4	\$3.6	\$2.1	\$1.9	\$0.8	\$0.9

U.S. Equal Employment Opportunity Commission (2017).

ADEA Charges filed with the EEOC by Issue 2010 – 2016

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
ADEA Advertising	32	69	39	37	111	154	215

U.S. Equal Employment Opportunity Commission (2017).

The “Tech Industry” in particular has come under scrutiny in recent years. Laurie McCann’s testimony at the EEOC meetings in May of 2016 and June of 2017 focused on the prevalence of age discrimination in the “Tech Industry”. McCann cited a wealth of statistical evidence and blatant practices supporting allegations of wide spread age discrimination in the industry (McCann, 2016 & 2017). McCann, citing a 2014 Fortune magazine piece by Verne Kopytoff, testified that not only is “age discrimination very prevalent in the technology sector of the economy”, many of those considered to be “leaders” in the industry are very “unapologetic about it” (McCann, 2016). Citing a statement by Facebook founder and CEO Mark Zuckerberg at a 2007 conference that “young people are just smarter” and another by a “prominent venture capitalist” in the industry that “people over 45 basically die in terms of new ideas” support the perception of “ageism” in the tech industry (Kopytoff, 2014). If a CEO was to substitute the word white in Zuckerberg’s quote, and said white people are just smarter, the claims of racism and

discrimination would be heard loud and long from the media and politicians. Kopytoff also reports on the use of recruiting post that openly flaunt anti-discrimination laws. For example, the listing of openings that use phrases that limit who can apply like “new grad”, “recent grad” and specifying which graduating classes – 2011 or 2012 that may apply (Kopytoff, 2014).

The tech industry has also had its share of litigation in recent years at some very high profile firms. Kopytoff reported on a 2012 case where “Facebook quietly settled” allegations made by California’s Fair Employment and Housing Department involving the hiring of an attorney (Kopytoff, 2014). Facebook, in describing “the ideal candidate’s law school credentials”, stated in their recruiting ad, that “Class of 2007 or 2008 preferred” (Kopytoff, 2014). In 2015, Barnes also reported on another complaint filed under California’s Fair Employment and Housing Act alleging age discrimination at Google (Barnes, 2016).

RECENT LITIGATION

In addition to the EEOC’s renewed focus on age discrimination associated with the 50th anniversary of the passage of the ADEA, two recent pieces of litigation have also drawn attention to the issue. In April of 2017, national restaurant chain Texas Roadhouse agreed to pay \$12 million to settle an EEOC age discrimination lawsuit, and the Wall Street Journal highlighted an age discrimination lawsuit involving PricewaterhouseCoopers (PwC) (EEOC, 2017 and Gershman, 2017).

The Texas Roadhouse settlement was in response to a lawsuit filed by the EEOC in 2011 (Civil Action No. 1:11-cv-11732-DJC). The EEOC alleged that Texas Roadhouse engaged in a nationwide pattern or practice of age discrimination in hiring hourly front-of-the-house employees in violation of the ADEA (EEOC, 2017). In the settlement, Texas Roadhouse agreed to a claims process to help identify and compensate individuals age 40 and over who applied for front-of-the-house positions between January 1, 2007 and December 31, 2014. Additionally, the settlement includes an injunction preventing Texas Roadhouse from discriminating on the basis of age in the future, requires the company to establish a diversity director’s position, and to pay for a decree compliance monitor who is charged with ensuring that Texas Roadhouse complies with the terms of the settlement decree (EEOC, 2017). In the EEOC’s press release announcing the settlement with Texas Roadhouse, acting Chair of the EEOC Victoria A. Lipnic noted “as we mark the 50th anniversary of the Age Discrimination in Employment Act (ADEA) this year, it is as important as ever to recognize the very real consequences of age discrimination and the need for job opportunities for older workers” (EEOC, 2017).

The PwC case involves allegations by two individuals, with years of accounting experience, one 53 and the other 47 and their rejection after applying for entry level associate positions at PwC (Gershman, 2017). The plaintiffs have alleged that “they were turned down because they lacked the youthful profile possessed by so many PwC recruits” (Gershman, 2017). The plaintiffs also have alleged that PwC “relies almost exclusively upon campus recruiting to fill entry-level positions and does not post vacancies on its public web site. The only way to apply is through PwC’s Campus track recruitment tool, which requires a college affiliation” (Barnes, 2016). The plaintiffs also cites PwC’s recruitment brochures that are “filled with images of

younger people” and “its own internal figures from 2016 that 80 percent of its employees are between the ages of 21 and 36” in arguing that PwC’s “near-exclusive focus on recent graduates is clearly discriminatory” (Maurer, 2017).

SUMMARY AND RECOMMENDATIONS

It should be quite clear to employers, given statements from the EEOC’s current leadership and the emphasis that the agency is focusing on age discrimination in celebrating the 50th anniversary of the ADEA, compliance with the ADEA should be a top priority. While there are still important issues to be decided, especially with respect to the PwC case, the fundamental guidelines associated with employer compliance with the ADEA have been well established.

The law prohibits discrimination in any aspect of employment against people who are age 40 and older, including hiring, firing, pay, job assignments, promotions, layoff, training, benefits and any other term or condition of employment (EEOC, 2017 – B). The law also makes it unlawful to harass a person because of his or her age.

A consistent theme over the years regarding what employers should be doing to facilitate compliance with antidiscrimination law and regulations is that employers must provide employees with effective training regarding compliance. The basic training regimes include making sure employees, especially managers and those involved in employment decision making know the basic prohibitions. In addition, organizations must have in place adequate complaint processes that facilitate employee access to report violations of clearly stated company policy that discrimination in employment on any basis is prohibited. Overcoming myths and stereotypes associated with older workers may require even more efforts by organizations above and beyond the basics. Jacquelyn B. James, in her June 14, 2017 testimony as part of the EEOC’s 50th Anniversary events, presented an array of practices that organizations should consider to deal with both the stereotypes and compliance (James, 2017). The practices are part of a benchmarking tool developed by the Center on Aging & Work at Boston College in conjunction with AARP (James, 2017). The suggestions include Assessment, Recruitment, and Hiring, Options for Continued Work or Retirement, Flexible Work Options, and Managing Intergenerational Relationships (James, 2017).

REFERENCES

- Barnes, Patricia (2016). Tipping Point for Age Discrimination in Hiring?, retrieved 4/18/2017 from <http://abusergoestowork.com/tipping-point-for-age-discrimination-in-hiring/>.
- Civil Action No. 1:11-cv-11732-DJC (2011). Equal Employment Opportunity Commission, Plaintiff vs. TEXAS ROADHOUSE, INC., TEXAS ROADHOUSE HOLDINGS LLC, and TEXAS ROADHOUSE MANAGEMENT CORP., d/b/a TEXAS ROADHOUSE Defendants.
- EEOC (2017 – A). Age Discrimination and Outdated Views of Older Workers Persist, Experts Tell Commission, Press Release, 6-14-17, retrieved 6/26/2017 from <https://www.eeoc.gov/eeoc/newsroom/release/6-14-17a.cfm>.
- EEOC (2017 – B). Age Discrimination, retrieved 6/26/2017 from <https://www.eeoc.gov/laws/types/age.cfm>.

- EEOC (2017). Texan Roadhouse Agrees to Pay \$12 Million to Settle EEOC Age Discrimination Lawsuit, retrieved 4/17/2017 from <https://www.eeoc.gov/eeoc/newsroom/release/3-31-17.cfm> .
- Feldman, Josh (2014). Maher Rants against Youth Culture: “Last Acceptable Prejudice”, (Nov. 7, 2014), available at, <http://www.mediaite.com/tv/maher-ageism-is-the-last-acceptable-prejudice-in-america/> .
- Gershman, Jacob (2017). PwC Sued Over Hiring Practices, *The Wall Street Journal*, Monday, April 17, 2017, pp. B1 & B8.
- James, Jacquelyn B. (2017). Written Testimony of Jacquelyn B. James, PhD Boston College, retrieved 6/15/2017 from <https://www.eeoc.gov/eeoc/meetings/6-14-17/james.cfm> .
- Koenig, Gary, Trawinski, Lori, and Rix, Sara (2015). The Long Road Back: Struggling to Find Work after Unemployment, retrieved 5/25/2017 from http://www.aarp.org/content/dam/aarp/ppi/2015-03/The%20Long%20Road%20Back_INSIGHT-new.pdf .
- Kopytoff, Verne (2014). Tech industry job ads: Older workers need not apply, retrieved 5/25/2017 from <http://fortune.com/2014/06/19/tech-job-ads-discrimination/> .
- Maurer, Roy (2017). Could College Recruitment Programs be Considered Unlawful?, retrieved 5/11/2017 from www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/college-recruitment-programs-adea-pwc.aspx .
- McCann, Laurie A. (2016). Written Testimony of Laurie A. McCann, AARP Foundation Litigation, retrieved 5/23/2017 from <https://www.eeoc.gov/eeoc/meetings/5-18-16/mccann.cfm> .
- McCann, Laurie A. (2017). Written Testimony of Laurie A. McCann, Challenger, Gray & Christmas, Inc., retrieved 6/15/2017 from <https://www.eeoc.gov/eeoc/meetings/6-14-17/mccann.cfm> .
- Neumark, David and Button, Patrick (2014). Age Discrimination and the Great Recession, FRBSF Economic Letter, retrieved 5/23/2017 from <http://www.frbsf.org/economic-research/publications/economic-letter/2014/april/age-discrimination-older-workers-great-recession/> .

A LOOK AT POSITIVE ORGANIZATIONAL BEHAVIOR: HOW POSITIVE PSYCHOLOGY IS AND SHOULD BE INFLUENCING ORGANIZATIONAL BEHAVIOR

Stephen C. Betts, William Paterson University

ABSTRACT

Positive Organizational Behavior (POB) is an emerging perspective that emphasizes positivity of many kinds in the workplace. POB is the application of the ideas of the positive psychology movement to organizational behavior. The existing literature is fragmented regarding a clear definition of POB and there is no unifying model or theory to build upon. In this paper we will review the current state of POB. We will then propose a working definition and outline a basic model of POB. Our objective is to take the basic concepts of positive psychology and find their most useful role in solving organizational problems.