
ABSTRACTS**1. FORMAL ORGANISATIONS: HOW CLASSICAL THERMODYNAMICS CAN HELP US TO UNDERSTAND THEM**

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ABSTRACT

The aim of this paper is to propose a new conceptualisation that can be used to analyse and understand formal organisations. Rather than relying on traditional sociological theories which some have criticised as conceptually soft and abstract, thermodynamics provides hard and measurable theoretical foundations upon which explanations of organisational characteristics can be based allowing dynamic modelling of the relationships between those characteristics and organizational performance. Classical thermodynamics, which forms the main discussion, clearly has intrinsic limitations as it disregards system structure and organisation. Yet, this perspective is expected to culminate in a basic organisational model that has the potential to generate a more comprehensive understanding of how formal organisations work, at least in steady state. This paper also draws upon the research of two of the authors into management practices in a wide range of organisations which put forward the argument that many models of analysis in organisational behaviour are overwhelmingly qualitative in nature and many presented in diagrammatic forms that suggest degrees of precision, insight and rigour far in excess of actuality. The proposed steady state model provides a foundation for ongoing work by the authors into the application of non-equilibrium thermodynamics for explaining evolutionary and revolutionary change in formal organisations.

Keywords: *Organisational Theory; Socio-Technical Systems; Organisational Efficiency and Performance; Organisational Modelling; Thermodynamics; Entropy; Energy; Thermal Energy; Equilibrium; Carnot Theory; Value Chain*

2. SOCIAL SKILLS DIFFERENCES AMONG CPA FIRM PERSONNEL OF DIFFERENT CULTURES: AN EXPLORATORY STUDY USING FIRO-B

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ABSTRACT

This study examines the social interaction preferences of international accounting personnel and compares these preferences to those of national (U.S) firm personnel. Understanding the differences between preferences for social interaction is important because such information sheds light on the types of personnel who are more likely to succeed in the different work environments.

Thompson and Schultz's (2000) FIRO-B instrument was used to collect social interaction preference data from international accounting firm personnel. The goal is to better understand the interrelationship between preferences for social interaction and work environments. The tasks undertaken in accounting firms require a set of social skills which may vary across cultures.

The findings showed that CPA firms' employees with North-American heritage and those with non-American heritage significantly differ in their wanted inclusion, control and affection. The findings may explain that these differences are due to the emphasis on individualism in the west versus the

dominance of the family, the tribe and the state in some Asian and African cultures that shape one's preferences for social interactions. These findings have important implications for the strategic assignments of individuals from different cultures to the appropriate functions in the CPA firms, the role of the employees in participating in team projects and for helping educators to advise their students to pursue employment positions commensurate with their social skills.

Keywords: *FIRO-B; Social Skills; Heritage; Inclusion; Affection; Control; Warmth*

3. MAINLAND CHINESE-US ENTREPRENEUR COMPARISON OF LINEAR/NONLINEAR THINKING STYLE PROFILES: IMPLICATIONS FOR NATIONAL ENTREPRENEURIAL SUCCESS

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ABSTRACT

Recent research suggests that, contrary to the popular stereotype of the highly creative and irrational entrepreneur, successful entrepreneurs possess linear (e.g., logical, rational) and nonlinear (intuitive, flexible, creative) thinking style balance to effectively compete in our complex, rapidly changing global business environment. If this balanced linear/nonlinear thinking style profile for successful entrepreneurs is accurate, there are important implications for measuring and building national entrepreneurial strength. In the present study private-sector entrepreneurs from the US and mainland China were compared using an instrument measuring an individual's linear/nonlinear thinking style profile to assess which national group may possess more balance, and thus suggesting potentially greater capacity for national entrepreneurial strength. The results indicated a greater linear/nonlinear thinking style balance within the US sample. Limitations of this study are discussed, as well as implications for future research and entrepreneurship education.

Keywords: *Entrepreneurship, China-US Comparison, Thinking Style, Linear/Nonlinear Thinking*

4. NEED FOR ACHIEVEMENT, STYLE OF BUDGETING AND MANAGERIAL PERFORMANCE IN A NON GOVERNMENT ORGANIZATION (NGO): EVIDENCE FROM AN ORIENTAL CULTURE

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ABSTRACT

While there has been considerable research on employee performance-related impact of budgeting style, the research is mostly concentrated within manufacturing organizations in the West. There is a dearth of such research (i) in other types of organizations such as non-government organizations and (ii) in other than Western cultures. In this light, the present study was conducted in a non-government organization (NGO) operating in Bangladesh – a country of oriental culture.

NGOs are private organizations that pursue activities to relieve suffering, promote interests of the poor, protect the environment, provide basic social services, and undertake community developments (Operational Directive 14.70, World Bank). NGOs are typically value-based organizations, which depend in whole or in part, on charitable donations and voluntary services. An NGO in Bangladesh generally starts as a donor funded enterprise with the aim of creating sustainable employment opportunities for, and eradicating poverty as well as illiteracy of, the poor within the country. Thus, NGOs in Bangladesh are critically important non-government organizations for the country's employment and economic growth. The participants in the study were 114 field officers (managers) having budgetary responsibilities in a large NGO in Bangladesh. This study focused on investigating if the

managers' need for achievement and the NGO's budgeting style had an impact on their performance. The results reveal that the budgeting style acted as an intervening variable in the relationship between field officers' need for achievement and performance. The results also indicate that the performance-related impact of a budgeting style is independent of culture.

Keywords Need for achievement, budgeting style, and managers' performance

5. MARKET CRASHES AND SPECULATIVE BUBBLES

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ABSTRACT

Johansen et al. (2000) propose that there is an identifiable signature, the power-law-log-periodicity (PLLP), in a price prior to its crash. That signature is the result of the struggling between the speculators and the fundamentalists. Hence the theory offers a new way of detecting a speculative bubble. But identifying the most likely time of crash can be problematic, due to the local-minimum problem associated with the highly non-linear model. In this paper, we apply a hybrid optimization algorithm, hybrid scatter genetic tabu. This algorithm has been shown to be effective in attaining the global optimum (Trafalis and Al-Harkan, 2002). The data used in this paper are drawn from the property markets of Hong Kong and South Korea. The fitting of these data sets to the original model is unsuccessful. The power-law behavior is missing. When the term representing the power-law is removed from the model, we, however, obtain encouraging results.

Keywords: Market crash, speculative bubble, PLLP, HSGT, property markets

6. GLOBAL FINANCIAL CONSEQUENCES OF THE TRANSFORMATION OF THE FORMER SOVIET UNION: A REGIONAL ANALYSIS

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ABSTRACT

Two decades after their evolution, FSU reforms have changed the world. The current study represents an attempt to investigate some of the global consequences of the reforms. In view of the global scope and dimension of the spin-off, the study narrows its focus to two regions- the former Soviet Union- where the reforms started, and sub-Saharan Africa- a region representing all other parts of the globe impacted by FSU reforms. Recognizing also that it is virtually impossible to map out the entire span and all the various dimensions of the transformation in sub-Saharan Africa, the study narrows its focus to one area- international resource flow to the region. Specifically, the paper attempts to investigate if the flow of international resources to the former Soviet Union, in support of reform initiatives there, has in any way, diverted flow to sub-Saharan Africa.

The research was done in two parts. The first part (Omotoye and Musazi, 2006) was a cross-country study, based on the experience of two countries- each respectively representing a corresponding region (Russia- representing the former Soviet Union; and Nigeria, sub-Saharan Africa). The current paper, concluding the investigation, is a cross-regional study of the same problem. It is based on aggregate data from the two regions being investigated.

The study uncovers enlightening details pertaining to regional peculiarities, similarities, and dissimilarities in both regions. Particularly significant is the convergence of the current study's results with results from the cross-country investigation done earlier. We found out that, in the wake of global reforms,

international resource supplies- both at country and regional levels- appear to be driven by non-traditional factors.

Keywords: *Former Soviet Union (FSU); Newly Independent States (NIS); Sub-Saharan Africa (SSA); Central and Eastern Europe (CEE); Systemic transformation; Economic and political reforms*

7. IS ACCOUNTING INFORMATION VALUE-RELEVANT IN THE EMERGING EGYPTIAN STOCK MARKET?

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ABSTRACT

The relationship between accounting information and capital markets has been the subject of numerous studies, especially in the US. The purpose of this study is to examine the corresponding evidence in Egypt. The study examines empirically, using a regression model based on a modified Ohlson equity-valuation framework, whether domestic investors in the Egyptian stock market perceive accounting information based on Egyptian Accounting Standards (EAS) to be value-relevant. The study is motivated by the market-based value-relevance literature in the US and by the continuous developments of accounting and stock markets in Egypt. Five-year pooled data were gathered to test two models. By employing the trading volume model, we found a significant impact of share book value, leverage, return on investment, size (measured by the log of market capitalisation) and price to earnings ratio on trading volume. While a positive association between trading volume and leverage and size is found, trading volume is significantly negatively associated with share book value, return on investment and price to earnings ratio. By employing the market share price model, we found market share price of the sampled firms to be mainly determined by the firm's size (measured by the log of total investments), leverage, and earnings per share.

Keywords: *value relevance, accounting standards, share price, trading volume, emerging markets, Egypt*

8. STRATEGIES FOR COMPETING WITH POWERFUL COMPETITORS USING DISRUPTIVE TECHNOLOGIES: HOW DO WE BEAT OUR MOST POWERFUL COMPETITORS?

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ABSTRACT

As competition is increasing on a global scale, products that are the most technologically advanced do not necessarily win out on an unlevelled playing field. Where entrenched and powerful competitors are already operating, many times with numerous advantages, there are ways for smaller competitors to use their strengths against them and establish new market dynamics and products that will lead to market leadership positions. Focusing on new market and low-end disruptions present proven and available strategies to dislodge powerful competitors from their dominance of the market. We discuss a literature review with definitions, present characteristics of disruptive technologies, show the Clayton Christensen model on disruptive technologies, and finally provide some case study examples to show how we can beat our more powerful competitors.

Keywords: *competition, new market, disruptive technologies*

9. INSTITUTIONAL CHANGE AND GOVERNANCE STRUCTURE: EVIDENCE FROM THE VENTURE CAPITAL INDUSTRY IN CHINA

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ABSTRACT

This paper examines the impact of a weak institutional environment on venture capital funds. China's weak institutional environment has been a major concern in the design of international venture capital funds. International venture capitalists frequently formed joint venture funds with China's state-owned enterprises to minimize transaction costs. When China's institutional environment improved, joint venture funds were less likely to be used.

Keywords: Governance Structure, Institutional Environment, Venture Capital, China

10. MANAGER IN MAKING: A WORK VALUE STUDY

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ABSTRACT

This paper examines the work value preference among management graduates with the goal of understanding their value system and also assessing its implication for the academics, researchers and the organisations. In doing so this article also examines the vocational behavior literature and the management and organizational behavior literature on work values demonstrating how insights from these diverse research areas can inform each other. This article reflects upon the relationship of work values with the various psychographic variables of these graduates to see the interrelationships among them.

Keywords: Work Values, Value Preference, Management Students, Attitude

11. THE INTERNATIONALIZATION OF DOCTORAL BUSINESS PROGRAMS: PRIVATE VERSUS PUBLIC UNIVERSITIES

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ABSTRACT

The authors conducted a global survey of AACSB accredited business colleges and universities during the spring of 2004. The purpose of the study was to determine whether private schools are at a more advanced stage in internationalizing their doctoral programs than are public schools. The results showed only a few significant differences, and those differences, surprisingly favored the public schools. Public business schools appear to have a greater percentage of bilingual faculty members, as well as bilingual and foreign national students than their private counterparts. In addition, the public schools have a greater percentage of students who: (a) have international business work or consulting experience; (b) have participated in international business seminars, workshops, or conferences; and (c) have studied the global economic environments of organizations. On the other hand, the internationalization of doctoral curricula in public business schools was not significantly different from that

in private schools. In fact, neither appears to place much emphasis or importance on internationalizing their curricula.

Keywords: *Internationalization of Public and Private Doctoral Business Programs; Globalization in Public and Private Doctoral Business Education; Internationalizing Public and Private Doctoral Business Programs; Global Doctoral Business Curricula*

12. SCENARIO ANALYSIS ON REDUCING CO₂ EMISSION IN TAIWAN

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ABSTRACT

The purpose of this paper is to evaluate the impact of reducing CO₂ emissions in Taiwan. In order to achieve this objective, we first review the relevant literature. Next, a modified MARKAL-MACRO model is constructed to simulate alternative scenarios of imposing carbon tax, limiting CO₂ emissions, and implementing clean fuel (LNG) strategies. The empirical results are analyzed and policy recommendations are put forward. Finally, some conclusions and suggestions are presented in order to assist decision makers with relevant planning.

Keywords: *CO₂ Emission, Scenario Analysis, MARKAL-MACRO, Taiwan*

13. FINANCIAL REPORTING OVERSIGHT, DISCLOSURE LEVELS, AND GOVERNMENT INTERVENTION: A BULWARK AGAINST CORRUPTION?

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ABSTRACT

This paper examines whether there exists a relationship between financial reporting oversight, financial disclosure levels, government intervention, and a country's level of corruption. Financial reporting oversight, which can be achieved through the use of audit committees, is an indispensable mechanism in the enforcement of accounting standards since it increases transparency and is intended to keep companies away from financial misbehavior. Along with financial reporting oversight, financial disclosure levels could also act as a bulwark against corruption.

Equally important is government intervention in an economy since it also plays a role in encouraging or discouraging corruption. It would appear that the more the government interferes with business, the more individuals as well as government officials find creative ways to get things done.

This study finds that disclosure levels and government intervention show a statistically significant relationship with corruption.

Keywords: *Corruption, reporting oversight, disclosure levels, government intervention, audit committees*

14. A CASE-SENSITIVE ACCOUNTING MODEL

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ABSTRACT

Although contemporary accounting information systems (AIS's) are more rigid than ever, Corporate America is still losing the battle against financial scandals. Early research indicates that the main cause is the ambiguity and segregation of data due to the tabular structures in most existing AIS's. To mitigate subjective interpretations of accounting principles, researchers have been infusing various kinds of constraints into AIS. But as companies increasingly operate in a global and heterogeneous business environment where complex and conflicting accounting principles are difficult to harmonize, adding more constraints to improving AIS will only weaken its applicability at the price of increased complexity. To cope with the situation, we propose a case-sensitive accounting model (CSAM) that stores accounting transactions along with atypical and unconventional business cases. In CSAM, the justifications behind unconventional accounting practices are explicitly linked to the irregular and atypical business cases that cause the practices themselves. These justifications are also accessible for further scrutiny in CSAM. CSAM primarily consists of three components, namely a default reasoning framework for typical accounting transactions, an enhanced inheritance schema for atypical accounting transactions, and a scenario-based documentation module for specifying contextual business cases. By functioning together, these components present a novel approach to handling complex accounting transactions in a modern business environment.

Keywords: Accounting information system, contextual accounting model, business case, default reasoning, knowledge representation, object orientation

15. ARBITRAGE OPPORTUNITIES IN THE OPTIONS MARKET: A STUDY OF THE INDIAN INDEX OPTIONS

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ABSTRACT

An option is a contract, or a provision of a contract, that gives one party (the option holder) the right, but not the obligation, to perform a specified transaction with another party (the option issuer or option writer) according to specified terms. The owner of an asset might sell another party an option to purchase the asset any time during the next three months at a specified price. A lease might contain a provision granting the renter the option to extend the lease for an additional year. A corporate bond might have an option provision allowing the issuer to purchase the bond back from the purchaser five years prior to maturity for a specified price. A speculator might purchase an option to sell at any time during the next three months 100 shares of a specified stock for a specified price.

Keywords: options market, corporate bond, speculator

16. INFORMATION CONTENT LEADING TO FOREIGN DIRECT INVESTMENTS

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ABSTRACT

Information contained in the accounting reports of the U.S. companies acquired by foreign investors is hypothesized to be an important factor in driving foreign direct investment (FDI). To understand how investors/security analysts view the process of FDI, the impact of foreign investments on specific accounting variables is studied. Significant differences in these variables after such investment should help identify specific factors foreign investors look for. This research establishes that it is critical to consider the relevance of country-specific accounting variables, when analyzing the performance of acquired firms. Contrary to popular beliefs, it appears that the British investors use the U.S. acquired firms to raise a substantial portion of long-term debt, etc., while following Japanese investments, there was little increase in the sale of property, plant & equipment and only a marginal increase in the issuance of long-term debt. Thus, by concentrating on the three most indicative accounting variables, the investor and/or analyst would be in a better position to understand the impact of the foreign investment, given that the nationality of the investor is known. This study should help regulators and academicians study the implications of FDI, given the continuing trend in recent years.

Keywords: Foreign direct investments, information, dividends, long-term debt, working capital, Japan, Britain, United States

17. EXAMINATION OF PORTFOLIO BEHAVIOR OF CHARTERED BANKS (1791-1836) AND FREE BANKS (1836-1863)

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ABSTRACT

This paper focuses on the portfolio behavior of U.S. commercial banks during the antebellum period. It examines the structural differences between chartered banks (1791-1836) controlled by the government, and free banks (1836-1863), which were free from government regulation. Major balance sheet items of both chartered and free banks were examined by using macro level aggregate data in order to evaluate their portfolio risk behavior. This paper finds no significant difference in the attitude of banking behavior between highly regulated chartered banks and completely unregulated free banks. All the measures of portfolio risk—liquidity and asset—indicate no differences in risk behavior between the regulated and free banks.

Keywords: Chartered banks, Free Banks, Specie reserves, Banknotes, Deposits, Antebellum period

18. INTERNATIONAL EXPANSION: KINGDEE'S MARKETING STRATEGY

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ABSTRACT

In the process of economic development, more and more Chinese enterprises expand their businesses into other countries. Kingdee International Software Group Company Limited (Kingdee) began to engage in international endeavors in 2001. The strategic consideration and driving force for Kingdee to participate in international business was to shorten the learning curve in adapting to the game rules and

standards of the global competition. The long-term vision for Kingdee was to become one of the ten global powers in the applied software industry.

Keywords: *International expansion, International Marketing Strategy, Asian Market, Global Software Market, Business Performance Management, Enterprise Resource Planning*

19. THE IMPACT OF THE USA PATRIOT ACT ON FOREIGN BANKING OPERATIONS AND ON ANTI-MONEY LAUNDERING MEASURES

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ABSTRACT

The USA Patriot Act was enacted to strengthen and expand anti-money laundering laws in an effort to hinder terrorist financing. The Act provides broad unprecedented powers that affect the U.S. domestic and international banking industry in a variety of ways in that it introduces numerous significant new regulatory requirements for U.S. and foreign banks and financial institutions and presents a great number of challenges for foreign banking operations and for the entire financial services industry. This paper describes the extensive new information-gathering obligations for U.S. financial institutions and examines the impact of the new requirements on foreign banking and other financial institutions, businesses and persons as well as the jurisdictions in which they operate. It also examines the new and unparalleled investigative and law enforcement authority given to U.S. government officials by the Act, not only with respect to terrorist activities and money laundering but also to a wide range of other crimes and activities. Additionally, this paper examines compliance and non-compliance implications of the Act on foreign financial institutions and their corresponding jurisdictions.

Keywords: *USA Patriot Act, foreign banking operations, anti-money laundering, financial institutions, covered financial institution, banking transactions, offshore bank, shell bank, correspondent account*

20. POLITICAL RISK AND EMERGING MARKET STOCK RETURNS: FURTHER EVIDENCE ACROSS THE TAIWAN STRAIT AND BEYOND

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ABSTRACT

Chen, Bin and Chen (2005) investigate the impact of various political events occurring during the 1996-2002 period on Taiwan's stock performance. This study extends their research work in both the time horizon and the geographical scope. We include some political events occurring more recently, being more dramatic and controversial, and complicating the cross-Taiwan-strait-relationship more profoundly. Our analysis on price reactions covers not only the stock market in Taiwan, but also the stock indices in Mainland-China and Hong Kong, plus the currency rate movements in those three emerging markets. Surrounding the occurrence of specific cross-strait political events, we have mixed findings of price reactions in those three equity markets. However, we consistently observe significant gaps in price performance among the stock indices in those three regions. In addition, such reaction gaps in equity prices still persist after the exchange rate fluctuations are controlled for.

Keywords: *Political Risk, Emerging Markets, Taiwan Strait, Event Studies, Exchange Risk*

21. AN ANALYSIS OF THE FACTORS AFFECTING WTI PRICE MOVEMENTS ON NYMEX

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ABSTRACT

The oil industry is a type of industry which brings petroleum to a financial market. Prices of Oil, even if regulated, make the difference between a sound economy and one that needs rescue. Several theories have been proposed, to explain the demand for Oil, its importance and consequently, its price. The recent models proposed have essentially been inventory-based models and hence, do not fully reflect the effect of several important variables. This work aims to explain the rationale behind the WTI (West Texas Intermediate) price movements on the NYMEX (New York Mercantile Exchange). It not only provides a multi-variable model for forecasting Oil price, but, also looks into the geo-political environment that impacts Oil prices significantly.

Keywords: oil industry, financial market, West Texas Intermediate, New York Mercantile Exchange

22. SCM PRACTICES IN INDIA: A STUDY

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ABSTRACT

Indian Manufacturing Industries are gearing up to meet challenges generated after a decade of reforms for the new millennium. In most of the organizations, various functions like purchasing, warehousing, production, transportation etc. are seen as integrated processes. The chain activities of these processes are of immense importance to the overall Supply Chain Management (SCM) strategy. Literature on SCM strategy favours demand driven supply of goods in an environment of "high trust and open relations". This demands cooperation and mutual commitment between suppliers and customers. With highly reliable suppliers the organisations will be able to not only bypass the slow and costly efforts to build one's own capabilities but also access new opportunities.

SCM, Lean Six Sigma approach suggest to build long term supplier partnership. However, from literature we find that in India, the trend has been on selection and performance evaluation of the suppliers. Hence a need was felt to study the contemporary status of supply chain strategy in Indian organizations through survey.

In this survey based study an effort has been made to understand the current trend in supplier integration in the manufacturing sector. The empirical survey is carried out to measure the Buyer-Supplier performance in terms of materials planning efficiency, degree of collaboration, transactional procedures, and supply chain practices through various instruments from the literature.

Initially we conducted a pilot study to find the effectiveness and suitability of the instruments in measuring the study variables. Subsequently the validated instruments were administered on 529 subjects. Out of which 490 were studied further. The age of the subject selected was restricted to 25 to 50 years, and the experience was restricted between 5 to 20 years in materials function. This filtration was to capture the pulse of experience and gut feel of the subjects. The manufacturing sector included industries from Automobile, Textile, Chemical, Food, Pharmaceutical, Cement, Engineering, Foundry, Forging, and Projects. Buyers from these organizations were selected on the basis of type of the items they deal with namely, raw materials, packing materials, finished goods, and spare parts. Minimum three buyers were randomly selected from each organization and questionnaire was administered personally. The data gathered by this process was subjected to the statistical analysis to understand the overall pattern of existing buyer-supplier relationships. The study helped in knowing the areas of weaknesses in supply chain management practices in India.

The study revealed that the companies are partially aware of partnership concepts and its benefits, but reported doubts on successful implementation. The phasewise Supplier Integration program is completely unknown to the subjects. Moreover companies have not reported any other reference model for long term partnership to follow in India. Thus 'Supplier Integration' is not adopted systematically. Analysis results also showed that the existing relationships are of 'Arms Length' (Lewis-1995). Though the findings highlighted existing hostile relationships of buyers with suppliers, it also revealed the fact that companies are interested in knowing the methodology for modeling supplier integration in Indian context. We also observed significantly different relations for the different types of items. The study strongly recommends development of a model that includes phasewise implementation of trust, integration, investment and alignment strategies. This will ensure that the operating risks will always remain lowest during implementation along with the flexibility to select or deselect the various options of supplier integration based on scientific method.

Keywords: *Supply Chain Management, Supplier Integration, Lean Production Philosophy, Statistical Analysis*
