
ABSTRACTS**1. ROLES OF GOVERNANCE-BASED PRACTICES IN ACCOUNTING INFORMATION EFFECTIVENESS AND FIRM GROWTH OF THAI-LISTED FIRMS**

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ABSTRACT

Corporate governance was recently brought up for discussion as an important determinant of firm performance though this concept has long been introduced in the literature. This study examines a new aspect of corporate governance named as governance-based practices influence on accounting information effectiveness and firm growth. That, governance-based practices are defined as the ways that lead to corporate governance success. They consist of seven dimensions: 1) active board of director, 2) energetic audit committee, 3) strength of shareholder rights, 4) valuable public disclosure, 5) degree of ERM implementation, 6) optimal stakeholders' values, and 7) truthful cooperation. Sampling frames are Thai-listed firms and collected data by the questionnaire. Regression statistic technique is chosen for analyzing. The results show the positive relationship between governance-based practices and accounting information effectiveness. This study also investigates the moderating effect of stakeholder recognition on this relation, but surprisingly the result shows no influence. Moreover, stakeholder recognition also moderates the positive effect of accounting information effectiveness and firm growth, but it also has no effect. In addition, another role of accounting information effectiveness which mediates the positive relationship between governance-based practices and firm growth is investigated. Besides, two antecedents: firm engagements and business surroundings are included to confirm the causes of governance-based practices. Probable discussion is competently implemented in the study. Contributions, future research and conclusions are purposed.

Keywords: *Governance-Based Practices; Active Board of Director, Energetic Audit Committee, Strength of Shareholder Rights, Valuable Public Disclosure, Degree of ERM Implementation, Optimal Stakeholders' Values, Truthful Cooperation, Accounting Information Effectiveness, Firm Growth, Stakeholder Recognition, Firm Engagements, Business Surroundings, Thai-Listed Firms*

2. FLEXIBILIZING LABOR RELATIONS SYSTEMS AND IMPACTS ON CORPORATE FINANCIAL PERFORMANCES IN BRAZIL

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ABSTRACT

Based on the work of Chadwick and Cappelli (2002), this paper attempts to ascertain the impacts of the functional and numerical flexibilization of work systems on corporate financial performances. A Multiple Regression and Variance Analysis was carried out to validate four Hypotheses. Hypothesis 1 may be partially validated, stating that human resources systems based on functional flexibility are associated with a better corporate financial performance, compared to the numerical flexibility system, as a significant alteration was noted in the Net Revenues indicator. Hypothesis 2 was validated, stating that organizations with cost leadership strategies post better performances with human resources systems based on numerical flexibility, with poorer performances by systems based on functional flexibility, as the survey showed a statistically significant difference, indicating a higher percentage of companies with cost leadership strategies in the group of enterprises with a better numerical flexibility profile. Hypothesis 3 may be validated, stating that highly capital-intensive companies post better financial performances with

the functional flexibility system, and poorer financial performances with the numerical flexibility system, as the survey showed a positive statistical variance for highly capital-intensive companies working with functional flexibility. Hypothesis 4 could not be validated, stating that unionized companies post better performances with systems based on functional flexibility, and poorer performances with numerical flexibility systems, as the findings did not present any significant statistical variation.

The Chadwick and Cappelli (2002) survey obtained findings opposite to those presented by this study. In the USA, this survey demonstrated that companies with functional flexibility post better financial performances in terms of both Revenue and Profit Indicators. The explanation for this difference in the findings may lie in the vast gap between the **negotiatory** labor system adopted in the USA and the **statutory** system established by Brazilian Law. Offering more flexibility to enterprises and employees, the US labor system endowings the work-force with greater adaptability, while not burdening the payroll with labor dues.

Keywords: Employment Law; Human Resource Management/Employee Relations; Strategy

3. FAMILY BUSINESS & INDUSTRIAL GROUPS IN MEXICO

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ABSTRACT

This paper argues that the success of the Mexican business system is attributable to its grounding in the family. The family business model underlies several important features of Mexican business. Its contributions include a shared cultural understanding of organization and leadership, an awareness of the need for detailed first-hand knowledge of individual capabilities, and a strong relational ethic that governs interpersonal interactions. This study has implications for the conduct of business in other emerging markets.

Keywords: Ethics; Relationships; Mexico; Emerging Markets

4. MATCH-UP REVISITED: THE EFFECT OF STAFF ATTRACTIVENESS ON PURCHASE INTENTIONS IN YOUNGER ADULT FEMALES: SOCIAL COMPARATIVE AND PRODUCT RELEVANCE EFFECTS

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ABSTRACT

One of the most frequently used promotional strategies is the use of an 'endorser' to promote, advocate or to be the visual representative of the product or brand (Kamins, 1990). The appearance or attractiveness of the endorser has been shown in the literature to be a significant factor in their effectiveness (Ohanian, 1991). However, the literature has not shown whether this effect exists in a context where upward social comparison may occur, such as in a context where interaction with actual staff potentially exists, rather than a celebrity endorser, for example. It was hypothesised in this study that that attractiveness of direct endorsers would significantly increase the purchase decisions of respondents, and that this effect would be improved again when the product was appearance-relevant (i.e a significant interaction effect), based on the match-up hypothesis. Finally, the study examined the effects of social comparison between the respondent and the endorser. Younger females were employed for the study as they were most likely as proposed in the literature to be potentially affected by upward social comparative effects (Strahan, Wilson, Cressman & Buote, 2006).

341 female undergraduate students aged 18-26 were presented with information seeking to assess their purchase intentions of a hypothetical product (either attractive-relevant or not attractive relevant) from a

hypothetical salesperson (either attractive or unattractive). Findings of the study indicated that purchase intentions were not significantly higher with attractive salespeople, but that a significant interaction effect existed with product type – in other words purchase intentions were significantly higher for attractive salespeople with an attractive relevant product than in other conditions. Finally, respondents that recorded a higher level of congruence between their appearance and that of the salesperson, negating the potential for upward social comparison, were significantly more likely to indicate higher intentions to purchase. Implications of these findings for current theory, as well as practical implications, are discussed.

Keywords: *Consumer behaviour, match-up hypothesis, attractiveness, source credibility, social comparison theory*

5. TRENDS IN ROMANIAN ORGANIZATIONAL CONSUMER BEHAVIOUR

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ABSTRACT

The role and the contribution of activity of purchasing material resources within organizations have dramatically changes in Romania after 1990's. The change of the economic system which occurred in those years was accompanied by managers' becoming aware of the importance of purchasing function in business. This process of becoming aware has progressively increased in intensity during the entire transition period as results became more evident especially in the last 7 years.

This article comprises the results of an experimental research in which the authors' purpose is to test the degree to which purchasing behaviour of organizational consumers, especially small and medium-sized enterprises, in Romania, adapted to the requirements of a private property-based economy in the 18 years of transition.

Keywords: *transition economy, organizational consumer's behaviour, adaptation, input, pro-active purchasing activity, successful management*

6. THE EVOLUTION OF AN INTERNATIONAL MARKET: THE CASE OF INDIA

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ABSTRACT

This paper attempts to measure the market size and potential of India as the country has entered the international market scenario. India presents myriads of opportunities and countless obstacles simultaneously for the world's global firms. Those firms with cross cultural understanding need techniques of improvisation to engage the aspiring middle class population that is left with sufficient disposable income.

Keywords: *Marketing Obstacles, Market Potential, Consumer Electronics, Infrastructure Challenges, Brand Development*

7. STATE BUSINESS RELATIONS AND ECONOMIC GROWTH IN MAURITIUS

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ABSTRACT

This paper examines the role of effective State Business Relations (SBR) in promoting economic performance for the case of Mauritius. Rigorous dynamic time series analysis, namely a VAR framework is employed given the dynamic and endogeneous issue in growth modelling. The results show that SBRs have a positive and significant effect on output in Mauritius in the long run with an implied elasticity of 0.18. Private capital is the most important factor followed by openness and the quality of labour. The results also apply to the short run. Moreover we suggest it is important to include a dynamic specification in growth modelling. Interestingly SBRs also appear to have an indirect effect on output in the short-run via 'the private capital channel'. As such SBR can also promote further openness of the country.

Keywords: SBR, economic growth, VAR

8. FOREIGN DIRECT INVESTMENT IN SAUDI ARABIA-AN ECONOMIC DEVELOPMENT PERSPECTIVE

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ABSTRACT

Foreign Direct Investment (FDI) plays an important role in stimulating the growth potentials and providing stability to the economy of Saudi Arabia. Our findings show that there are mainly four factors which determine the net FDI flow to Saudi Arabia. These are - GDP, Privatization, Import and Export and Growth rate of GDP. There exists a positive relationship between FDI and GDP and GDP growth rate while it is negatively related to privatisation and imports plus exports taken together showing trade sensitivity. However, the relationship between FDI and GDP growth rate is very weak. The values for the GDP, privatisation and trade sensitivity elasticity to FDI is 1.36, -0.999 and - 0.068 respectively. The marginal effect of GDP growth on FDI is 0.004. The developmental efforts in the country have not been able to attract FDI in a desired amount except the oil sector. To provide stability, self reliance and sustainable growth to the Kingdom of Saudi Arabia (KSA) economy, FDI is needed in both import substitute and export promoting industries.

Keywords: Foreign Direct Investment, Gross Domestic Product, Privatization, Growth Rate

9. INNOVATIONS AND CREATIVITY: CONTEMPORARY ISSUES IN COGNITIVE NEUROSCIENCE AND RELIGION

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ABSTRACT

Creation of new products or services is connected with economic performance of a firm and competitive advantage. The aim of the article is to answer the question: What sources of creativity can be considered

as good, true sources contributing to a firm performance? Contemporary issues in cognitive neuroscience and religion are attracted for this purpose.

Keywords: *creativity, cognitive neuroscience, religion*

10. STABILITY AND COHERENCE IN TRANSITION: A WISH THAT CAN BE ACCOMPLISHED? THE ACCOUNTING SYSTEM OF ROMANIAN PUBLIC INSTITUTIONS

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ABSTRACT

The Romanian public accounting system has gone through a long process of transformation in order to reach the level of the European accounting system as the country was accepted in the European Union. This system is based on the accrual accounting and has at its basis the International Public Sector Accounting Standards (IPSAS).

Of course all these transformations are accompanied by legislative changes which aim to create the proper framework within which the characteristics and peculiarity of the new accounting system should occur and be encountered.

The aim of this paper is to analyse the way in which the accounting system under transition that characterises the Romanian public institutions, can be accompanied by legislative stability and coherence regarding the decisions made, thus being the basis for a clear and concise change process whose aim is to be achieved in accordance with the terms established at the beginning and by complying with all the clauses involving time, effort, efficiency. In a period of transition the main issue regards the legislative stability because certain progress that occurred in some economic or social sectors is usually "demolished" by adverse decisions which are made subsequently.

For this reason we advanced and tested three hypotheses which helped us to reach a relevant conclusion about the relation between the abundance of legislative changes typical of a period of transition and the security and continuity that such changes can ensure to the new accounting system that appears. In the first phase we established the demarcation between the accounting system within and subsequent to the reform by individualizing two outstanding phases of public accounting, thus identifying both the steady and vulnerable legislative elements. Starting from the application of some economic theories suitable for the analysed topic we continued the analysis of the period prior and following the reform on the basis of some economic analysis procedures that had as a result the confirmation and invalidation of the stated hypotheses.

Through the conclusions reached at the end of the paper we believe that we succeeded to outline the drawbacks of the legislative process typical for transition periods with applicability to the Romanian public institutions accounting system, a study that can be enlarged to other fields undergoing major changes with a big normative impact on them.

Keywords: *public accounting, transition, legislation, content analysis, Romania*

11. USING LOGIT REGRESSION TO TEST THE “GLASS CEILING HYPOTHESIS”: NEW EVIDENCE FROM THE LEBANESE BANKING SECTOR

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ABSTRACT

The issue of gender gap has been the subject for intensive empirical research. Opponents of the discrimination theory suggest that differences in earnings between males and females don't necessarily suggest gender discrimination. This group presented arguments that range from job conditions to differences in quantitative skills to explain the existing gap. Advocates of the discrimination theory tried to address the issues of outright wage discrimination to covert discrimination thorough promotion practices. Recent research started to provide empirical evidence on sticky floors and glass ceiling in different countries. This paper tries to test the glass-ceiling hypothesis using a representative sample, of 2120 employees, of the Lebanese banking sector. After controlling for job conditions, career choice, bank size, educational attainment, and experience, the research findings suggest that the barriers against females' promotion increases as they move up the corporate ladder.

Keywords: *Glass Ceiling, Sticky Wages, Gender Gap, Discrimination Theory, and Logit regression*

12. CORPORATE GOVERNANCE, PROFIT MANIPULATION AND STOCK RETURN

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ABSTRACT

Listed firms are subject to administrative penalties due to accounting frauds in Chinese share markets. This paper is the first attempt to investigate motivations behind earnings manipulation for a sample of Chinese listed firms subject to accounting frauds. It also examines the relation between accounting frauds and corporate governance. Event study is applied to test the share price reactions during the announcement period when firms are alleged to accounting frauds. We find stock prices decline by 0.62 percent on average during a three-day event window. We also find a negative 10 percent abnormal return for a longer horizon (-120, 0), indicating that there exist information leakage in Chinese share markets. Our results suggest that corporate governance plays an important role on firms' decision to accounting frauds. Our results provide several explanations for firms committing to accounting frauds. These are: firms in need for external financing, firms try to escape from being delisting, firms controlled by parent or group companies, firms controlled by local government or their agencies, are more likely subject to accounting frauds. However, we found firms with the largest shareholder increases the proportion of shares holding are less likely to be alleged for accounting frauds.

Keywords: *Corporate Governance, Abnormal Return, Accounting Frauds*
