Rapporteur Report

SIXTH INTERNATIONAL CONFERENCE ON BORDLESS WORLD: EMERGING DIMENSIONS FOR BUSINESS

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EXCERPTS FROM PAPER PRESENTATIONS

Venue: The Grand, Nelson Mandela Marg, Vasant Kunj, New Delhi

PAPER 1 – ATTITUDE TOWARDS A CULTURAL HERITAGE SITE IN SOUTH AFRICA: THE VOORTREKKER MONUMENT

Marius Potgieter, *Tshwane University of Technology*

The Voortrekker Monument keeps guard over the city of Pretoria and many South Africans believed that the Voortrekker Monument belongs exclusively to Afrikaners. The various services, facilities, and programmes offered at and by the monument lend themselves ideally for entrepreneurial initiative. The objective of this paper was to determine the public's attitude towards the monument, which will influence the public's decision to visit and support the monument's initiatives and the conclusion was that the public holds positive cognitive, affective, and conative attitudes toward the Voortrekker Monument and this implies that entrepreneurial initiatives implemented at and by the monument would be supported by the public.

PAPER 2 – INDUSTRY'S POINT OF VIEW ON GLOBALIZATION: IMPLICATIONS TO TOURISM AND HOSPITALITY MANAGEMENT IN INDIA

J. Mark S. Munoz, *Millikin University*

Marios I. Katsioloudes, *Intercollege University*

Research on globalization determines travel executives' perceptions on the convergence of business evolution, ease of international investments, and technological conveniences that is taking place in the contemporary, tightly integrated global environment. Utilizing the concepts of Thomas L. Friedman on the features of globalization as a framework, the study offers strategic approaches in which tourism and hospitality businesses in India can implement in their quest for success in the New Economy. Organizations today are no longer bound by geographical borders. Consumers are accorded the freedom to access and acquire a multitude of products, services, and information worldwide. Price and quality comparisons are within the reach of individuals and companies. Within this changing landscape, new organizational approaches are likely being pursued as a mechanism for adaptation. In the advent of heightened competitive pressures and business efficiencies, companies in India are affected and are forced to face new and mounting challenges head on.

PAPER 3 – EXPLORING THE EFFECTIVENESS OF EXPORT ASSISTANCE PROGRAMS ON MALAYSIAN SMES

Mohd Khairuddin Hashim, *Universiti Utara Malaysia*

Mustafa Zakaria, *Universiti Utara Malaysia*

***Sa'ari Ahmad,** Universiti Utara Malaysia*

This article reports a research that focused on export assistance programs. More specifically, the study attempted to evaluate the effectiveness of 38 export assistance programs offer to Malaysian small and medium-sized enterprises (SMEs) by the following three government supporting agencies; the Malaysian External Trade Development Corporation (MATRADE), the Malaysian Export Credit Insurance Berhad (MECIB), and the Export-Import Bank of Malaysia Berhad (EXIM Bank Berhad). The data for the study was collected from 76 SMEs in the manufacturing sector. The findings of the study indicated that the SMEs not only were aware of the programs, but they also found the export assistance programs to be helpful, and that they had benefited from using the programs. The findings of the study seem to imply that export assistance programs can encourage and promote the exporting activities of smaller businesses. As such, continuous efforts and actions from the three government supporting agencies are essential not only to encourage SMEs to increase their existing exporting activities, but also to expand the existing export assistance programs to the other SMEs in the country.

PAPER 4 – IT LABOR OUTSOURCING IN INDIA: CHALLENGES AND OPPORTUNITIES FOR INTERNATIONAL ENTREPRENEURS

***J. Mark Munoz,** Millikin University*

International labor outsourcing, especially in the IT sector, has grown rapidly in recent years. This article defines outsourcing through extensive literature and discusses opportunities and challenges that exist in the industry. India has been cited as the most attractive destination for outsourcing. The author explores the IT and business landscape in the country and proposes strategies for the outsourcing success of international entrepreneurs. In the case of India, outsourcing challenges and risks, as suggested in this paper, may lie on cross-cultural conflicts and miscommunication, instability of the political and economic landscape, legal barriers, disparity in contract expectations, and poor partner selection. Further, it was reported that the outsourcing in India offers a strategic business value for international entrepreneurs but, entrepreneurs need to be constantly cognizant of the evolving dynamics of the business landscape. Attention has to be placed on the specific value offered in the location, supplier selection and relationship building, and the strategic alignment to the organizational agenda.

PAPER 5 – THE EFFECTS OF NATIONAL CULTURE ON ORGANIZATIONAL IMPROVISATION

***Piotr Chelminski,** Providence College*

In this paper, the author extends the existing theory of improvisation in business to an international setting. The author proposes that national culture may affect the propensity for organizational improvisation by facilitating favorable conditions. Specifically, the author suggests that organizational improvisation may be more likely to occur in low rather than high uncertainty avoidance cultures, in collectivistic rather than individualistic cultures, in low rather than high power distance cultures, and in masculine rather than feminine cultures. Additionally, the author provides an analysis of the propensity for organizational improvisation in 50 countries and three regions based on their cultural characteristics.

PAPER 6 – GOVERNANCE CYCLE: TOWARDS A THEORETICAL FRAMEWORK

***Ibrahim F. Akoum,** Arab Monetary Fund*

The social and economic development record of the past three decades has been disappointing, particularly in most of the developing countries. Poverty is on the rise and inequality is endemic in much of the world today. This paper argues that this state of affairs stems primarily from poor governance rather than scarcity of resources. Poor governance, evidenced by weak institutional capacity, corruption, and restricted participation in public affairs lends itself to poor and inadequate economic performance. Thus, the paper attempts to address this issue by offering a standpoint on what the ingredients of sound governance are through introducing the concept of "Governance Cycle" and the areas where this cycle might get blocked or hindered. The paper concludes that corruption, rent- seeking behavior, and weak institutional frameworks compromise the governance cycle and its processes: the resource allocation process, the policy formulation process, the policy implementation process, and the income distribution process.

PAPER 7 – ALIGNMENT OF STRATEGIES AND FIRM PERFORMANCE

Jangho Lee, *Sogang University*

In this paper the author attempted to relate firm's overall organizational strategy to its international strategy and to relate alternative strategies to firm performance. We argued that, although firm's international strategy was important, it should be evaluated within its overall organizational strategy. The analyses generally supported that there were significant differences in international configuration and coordination among the three alternative overall organizational strategies. The findings suggest that the analysis of firm's international strategy should be made within a broader framework of its organizational strategy. The results also suggest that alternative strategies would perform equally well, providing that the strategy was well implemented. This study was limited to Korean MNEs only.

PAPER 8 – THE STRATEGIC RESPONSES OF INDIAN MANUFACTURERS OF AIR-CONDITIONERS TO LIBERALISATION: DEVELOPING A CONCEPTUAL FRAMEWORK AND QUALITATIVE RESEARCH DESIGN FOR AN EMERGING MARKET

Raghav Punj, *Kingston University*

This paper focuses on the conceptual and methodological issues relating to research into strategic responses of Indian manufacturers of room air-conditioners (RAC) to economic reforms and the entry of foreign competitors in the domestic market. Specifically, it presents a brief overview of the development in the RAC industry followed by a framework, conceptualized from the literature on strategic management that is believed to drive Indian RAC manufacturers' strategic responses to the changes in the industry environment. The paper also discusses some of the issues that influence the design and approach of the research methodology in the Indian context. The study concludes in its conceptualization of strategy development that Indian manufacturers of RACs are influenced by market, resource, relational, and institutional factors and that researcher need to take into account the Indian context in designing their research approach.

PAPER 9 – THE DETERMINATES OF SELECTING ACCOUNTING SOFTWARE: A PROPOSED MODEL

Ahmad A. Abu-Musa, *King Fahd University of Petroleum & Minerals*

Selecting the appropriate accounting software has become an important issue for many organizations. Selecting the wrong accounting software would be a great disaster; it might lead to major financial losses, and possibly even bankruptcy. Certain crucial factors such as users' current and future needs, business type, business size, features and attributes of accounting software, information technology infrastructure and environment, and vendor reliability should be taken into consideration before obtaining the software. The objective of this paper is to investigate, analyze and evaluate the main factors an organization should consider in its decision to select the appropriate accounting software. The paper introduces an integrated theoretical framework of the main factors affecting the selection of an appropriate accounting software package for an organization. The paper proceeds to introduce a proposed mathematical model of the determinants of selecting accounting software. The proposed model would help an organization to select the most appropriate accounting software that would satisfy its current and future needs for information and financial and non-financial reports.

PAPER 10 – AN EXPLORATORY STUDY OF MRP BENEFIT-DETERMINANT RELATIONSHIPS: ACE ANALYSIS MODEL

Salaheldin Ismail, *The University of Qatar*

Khalid Al-Sulaiti, *The University of Qatar*

Rafid S. Abdulrazak, *Institute of Administrative Development - Doda Qatar*

This paper is aims at exploring and examining the MRP (MRPI & MRPII) benefit-determinant relationships using the Alternating Conditional Expectation (ACE) technique within Egyptian manufacturing firms. To do that, the research is intended to test empirically the key hypothesis that the uncertainty, and organizational, implementation, technological and human variables do not correlate with the benefits obtained from MRP implementation in a linear manner. This is done by constructing a series of mathematical models for both MRP benefits measures (tangible and subjective benefits) using (ACE) technique as an advanced statistical modelling technique. The data analyzed in this paper were collected by a mail questionnaire to Egyptian manufacturing firms. The findings of this paper indicate that data accuracy has a positive effect on the successful implementation of MRP systems. Also, our findings indicate that as capacity uncertainty increases delivery lead time and the number of expediters increase in order to meet due dates. Moreover, our findings show that a company size has a positive impact on operational efficiency. Managerial implications and avenues for further research are recommended.

PAPER 11 – TECHNOLOGICAL INNOVATION AND ENTREPRENEURSHIP IN DEVELOPING COUNTRIES: HURDLES TO HIGH PERFORMANCE AND GLOBALIZATION

Mohand S. Oukil, *King Fahd University of Petroleum & Minerals*

A fact is that there are many developing countries today which are quite wealthy in terms of Petro-Dollars and other resources but not dynamic enough in terms of innovativeness and entrepreneurship. A consequence of that is that their level of competitiveness would not allow them to truly and beneficially integrate the world economy. Theoretically, both technological innovation and entrepreneurship are considered as cornerstones for competitiveness and growth. In practice, however, it is not that difficult to identify lack of sound policies and effective measures in practically all Arab countries. To illustrate the case, particular reference is made to two countries, Algeria and Saudi Arabia. Both these two countries are rich and on the way of joining the World Trade Organization. Yet, for their respective overall performance, they are still far behind even the newly industrializing countries, which have achieved amazing technological and economic progress. The author of the present paper argues that what prevents developing countries in general from becoming quickly competitive is not really the international context, but rather the internal one within those countries. For one thing, respective governments manage their economies and societies as if change has only to do with macro-economic and political management.

PAPER 12 – CORRELATING STRATEGY WITH ADVANCES IN TECHNOLOGY: A MARKETING ASSESSMENT OF HOSPITAL HEALTH CARE SYSTEMS

Suzanne Makarem, *Temple University*

Valentin H. Pashtenko, *American University in Dubai*

Imad Baalbaki, *American University of Beirut*

Existing strategic literature acknowledges that advances in technology necessitate requite changes in strategy. Specifically, rapidly advancing areas such as health care have given increased importance to technical advancement as a measure of achievement. The assumption has been that technical advances should lead the formulation of strategy. However, insufficient research has been done to prove that these advances should dictate strategy. In particular, many health care delivery providers have lost sight of the fact that their achievements are judged, not by their technical advancements, but by their delivery systems. This occurs as the demand for health care, increasing at an accelerating rate, yields unprecedented profit incentives for those providers who understand their target market and develop their strategies correspondingly. An inpatient/consumer and emergency room sample of 315 respondents and 59 variables is used to test eight hypotheses, Pearson correlations for the each of the hypotheses are presented, and the results and their implications are rationalized. The study validates that existing hospital health care marketing strategies need to be evaluated as per the findings of this study.

PAPER 13 – PRESUMED COMPETENCE AND PERCEIVED RISK IN PROJECT ENGINEERING SERVICES

Zoltán Veres, *University of Szeged and Budapest Business School*

The perceived risk of service transactions is not characterized by being inevitably higher than that of tangible products but rather by the fact that performance risk is bilateral and process-like. This is because the *success of a service transaction is uncertain* until it is completed. But it is so for the provider of the service, too. Risk perception is affected by how much buyers/suppliers think that they are able to mobilize their skills and knowledge when faced with a danger of losing total or partial control over transactional events. From the point of view of service technology, the perceived risk connected to attaining a result is a competence-related risk. Presumed competence-based perceived bilateral risk can easily be reduced through risk-reducing communication. The crucial question of this research is how presumed competence determines perceived risk. We investigate the changes in the competence-risk-communication-(satisfaction) chain within project engineering.

PAPER 14 – IDENTIFYING ATTRIBUTES OF SUCCESS FOR OVERSEAS LEBANESE ENTREPRENEURS OPERATING WORLDWIDE

Abdulrahim K. Kowatly, *American University of Beirut*

Philip W. Zgheib, *American University of Beirut*

Shawn Carraher, *Cameron University*

The Lebanese began their present emigration in the middle of the nineteenth century, heading towards North America, Central and South America, Europe, Africa, and Australia. Today's Lebanese Diaspora is made of highly educated and prominent entrepreneurs who have created huge marks in their adopted homelands and the world. This research project is the first to investigate and explore the attributes of success of overseas Lebanese entrepreneurs. The data gathered was based on a survey of 264 Lebanese entrepreneurs operating worldwide. Statistical analysis was carried out using frequency distribution, Cronbach alpha, ANOVA, correlation and linear regression. Results show that the overseas Lebanese entrepreneur has a high entrepreneurial orientation. In other words, he is a perseverant, innovative, risk taking individual who competes aggressively in the market place and is driven by a need for independence. Moreover, the overseas Lebanese entrepreneurs were not found to be influenced by the cultural composition of their host countries in terms of uncertainty avoidance and individualism. Developing an entrepreneurship profile for the overseas Lebanese entrepreneur is certainly an overwhelming challenge. Several psychological and cultural elements were selected in the analysis; however, there remain other schools of thought into entrepreneurial success factors and other attributes that could fit into a model for analysis.

PAPER 15 – ISLAMIC RESISTANCE TO THE GLOBALIZATION OF MEDIA: A STRATEGIC ASSESSMENT OF CULTURAL EMBEDDEDNESS WITHIN LEBANON

Imad Baalbaki, *American University of Beirut*

Valentin H. Pashtenko, *American University in Dubai*

Caroline I Christidis, *American University of Beirut*

Marketing and strategic management literature accepts that efficiencies of scale exist and are most efficient when standardized products are universally distributed. In addition, with recent advances in communications and transportation, many companies have expanded their control of distribution, purchasing, and manufacturing functions from domestic settings to true global environments. Most recently, research in both fields has rationalized that standardization was the domain of the producer – essentially dictating that standardization is supply-side driven. However, insufficient research has been done to support this assertion as well as the assertion that efficiency of scale should dictate the formulation of strategy. This occurs at a time when research shows that global media, invested with presupposed "shared" qualities such as prestige, envy, and sex appeal is both effective and offensive to Islamic customers. As a result, there is a conceptual as well as a material need to understand this embedded resistance to globalization. A study is conducted in Beirut, Lebanon – at the collision of Arab and Western cultures and conflicting Christian and Islamic beliefs – of advertising agency managers that arguably control 88% of Lebanon's total advertising. Hypotheses are tested, Chi-square testing is conducted, and conceptual resolution is offered to resolve this embedded resistance to globalization.

PAPER 16 – STORE SATISFACTION AND RETAILER EQUITY: PRELIMINARY RESULTS OF AN EMPIRICAL STUDY

Ravi Pappu, *University of New England*

Pascale Quester, *University of Adelaide*

The concept of retailer equity recently captured the attention of researchers in marketing. However, previous research on retailing has failed to fully elucidate the relationship between customer's satisfaction with a retailer (store satisfaction) and retailer equity. Investigating this gap is the objective of the present research. We conceptualize retailer equity as a four-dimensional construct comprising: retailer awareness, retailer associations, retailer perceived quality, and retailer loyalty. A survey was undertaken using a convenience sample of shopping mall consumers at an Australian state capital city. The questionnaire used to collect data included a quasi-experimental design such that two categories of retailers were included in the study: department stores and specialty stores, with three retailers representing each category. The relationship between retailer equity and store satisfaction was examined using multivariate analysis of variance. Results indicate that retailer equity varies with store satisfaction. The principal objective of this research was to examine whether retailer equity varied according to consumer satisfaction with the store. Consumers reporting high store satisfaction levels showed significantly higher ratings for all retailer equity dimensions, namely, retailer awareness, retailer associations, retailer perceived quality and retailer loyalty, compared to consumers with low store satisfaction levels.

PAPER 17 – STRATEGY OF CUSTOMIZATION: A CASE OF NOKIA

P. R. Bhatt, *Indian Institute of Management, Kozhikode*

Nokia is a global leader of mobile communication. It owned 38 per cent of the world mobile handset market in 2003. Its strategy was to take competitive advantage through customization, collaboration, globalisation and innovations. Nokia has established their cutting edge technology and trend setting lifestyle in their mobile handset products. Nokia adopted strategy of mergers, acquisitions, alliance and collaboration to gain superiority in technology and competitive advantage. Nokia worked on cooperative ventures like WAP forum to leverage their competitiveness in internet services. It had founded symbian to step up the evolution of wireless information devices. Jorma Ollila restructured the company to cope up with fall in net sales in 2003. The restructuring was same to capture global market by exploiting economies of scale in mobile handsets, to focus on such functions as imaging, games, media and a range of other attractive contents in multimedia sector. Enterprise solutions offered a wide range of mobile devices and secured mobile connectivity solutions to enterprise. Nokia is the global leader in mobile communications. Nokia owned 38 per cent of the world mobile handset market in 2003. It has sold around 179 million mobile phones in 2003. It had the highest net sales in Europe, Middle-East and Africa (57 per cent) followed by the Americas (21 per cent) and Asia Pacific (24 per cent). Nokia's total employment was 51359 in 2003. The mobile communication industry has emerged in 1980s and has grown very fast in 1990s. The major players in the industry are Nokia of Finland, Motorola of USA, Ericsson of Sweden, Seimens of Germany and Alcatels of France. The industry was attracted by other electronic giants such as LG, Samsung, Panasonic, Mitsubishi, Sony, etc., as it has got high growth potential and profitability.

PAPER 18 – COMPETITION POLICY, ABUSES OF INDUSTRIAL PROPERTY RIGHTS AND THE TRIPS AGREEMENT

Daya Shanker, *Deakin University*

The TRIPS Agreement recognizes abuses inherent in the intellectual property (IP) monopoly along with the fact that competition policy plays a significant role in dealing with such abuses. The relationship of competition policy with intellectual property rights has three important dimensions: (a) where the abuse originates from the IPR per se and the remedies lie in the patent act itself, (b) where IPR abuses originate from IPRs but the remedy lies in anticompetitive implications, and (c) situations where the patenting monopoly is used to extend the areas of exclusivity which can be remedied by the use of competition policy although quite often such distinction is blurred. The use of competition policy to deal with the abuse of IP monopolies requires a discussion of abuse of the dominant position and whether the patenting monopoly automatically put the right holder in the dominant position. The issue of parallel trade also has anti-competitive implications which are evident from the treatment of parallel imports in Korean and Japanese provisions in their competition policies. While developed countries have a long history of competition policy although its significance keeps changing, developing countries only recently started introducing competition provisions in their legislation. IPRs have as much innovation generating incentives as innovation stifling effects which makes it imperative for developing countries to have a competent and effective competition law. The direct abuses coming out of IPR monopolies are high prices, non-working or insufficient working and restrain on parallel imports. This article concludes that high prices can be dealt with both as an IPR abuse by allowing compulsory licensing or through the use of anti-competition laws. The issue of non-local working and its resolution into refusal to deal are also important examples of abuse of patenting monopoly. The issue of exhaustion of rights has been transformed into an attempt to prohibit parallel imports and to introduce discriminatory pricing establishing absolutism in market control, market segregation and market exclusion. Recent efforts of the EC, WTO, WHO, World Bank and scholars like Danzon, Wilder and Barton to introduce discriminatory pricing point in this direction. This article concludes that the implication of such move would be the elimination of compulsory licensing options for a large number of countries and would lead to a virtual abrogation of Article 6 of the TRIPS Agreement. It suggests that the question of exhaustion of rights should be left to the area of contract where monopolistic abuses can be dealt directly either through the use of competition provisions or through unconscionability and other provisions in normal contractual arrangements.

PAPER 19 – THE EFFECT OF ENVIRONMENTAL TURBULENCE ON ENTREPRENEURIAL BEHAVIOR AND PERFORMANCE OF MULTINATIONAL SUBSIDIARIES IN MALAYSIA

Selvamalar Ayadurai, *Binary University College of Management and Entrepreneurship*

M. Sadiq Sohail, *King Fahd University of Petroleum & Minerals*

This paper examines the effect of environmental turbulence, that is, environmental hostility, environmental dynamism and environmental complexity, on the entrepreneurial behaviour and performance of multinational subsidiaries in Malaysia. However, in comparison to the more developed and 'mature' countries, there are differences in the extent to which environmental turbulence affects entrepreneurial behaviour and performance of multinational subsidiaries. Empirical research is used to determine subsidiary's entrepreneurship, the extent of environmental hostility, dynamism and complexity, and the performance of the subsidiaries in Malaysia. It was established that the environmental turbulence variables have a positive relationship with subsidiaries' performance. The results indicate that environmental turbulence has an effect on the performance of multinational subsidiaries' in Malaysia, though not to a large extent. This can be attributed largely to the country in context and the nature of the industry of the respondent subsidiaries'. The results highlight how certain variables affect the entrepreneurial behaviour of multinational subsidiaries, as in, the industry the subsidiary belongs to, the number of years the subsidiary has been in operation, the product life cycle of the market the subsidiary operates in, the extent of development in a country (that is, developing country or developed country) and the country in context the subsidiary operates in. These factors are clearly significant in this study which examines the entrepreneurial behaviour and performance of 45 multinational subsidiaries in Malaysia. This establishes, whilst environmental turbulence does have an effect on the entrepreneurial behaviour and performance of multinational subsidiaries in Malaysia, the extent of its influence varies between the more developed countries and Malaysia, a developing country.

PAPER 20 – PHYSICAL VANITY ACROSS CULTURES: MEASUREMENT AND VALIDATION

Anil Mathur, *Hofstra University*

Benny Barak, *Hofstra University*

Keun S. Lee, *Hofstra University*

Yong Zhang, *Hofstra University*

Steven Gould, *Bernard M. Baruch College & City University of New York*

That culture in Western society has been dominated by an obsession with physical appearance and beauty has been noted by many scholars and social observers, but the notion of beauty is not limited to Western culture. The common adage that beauty is in the eyes of beholder suggests that the concept of beauty might be a universal trait. Given that until the 21st century most of modern consumer research was practiced in the Western countries, it is understandable that to a great extent most consumer behavior and social psychology theories were developed in the West. It is within this particular context that the present research seeks to examine physical vanity traits and their measurement across three extremely diverse cultures: China, India, and the U.S.

PAPER 21 – CROSS-CULTURAL INTERACTIONS IN THE HOSPITALITY INDUSTRY: AN INTERCULTURAL SENSITIVITY PERSPECTIVE

Naveen Malhotra, *Eckerd College*

Morris Shapero, *Eckerd College*

Steve Sizoo, *Eckerd College*

Tom Munro, *Eckerd College*

International visitors contribute greatly to the American economy. The significant increase in foreign visitors over the past decade caused researchers to pay more attention to the unique challenges of cross-cultural service encounters. This exploratory study adds to that trend by attempting to measure the effect of intercultural sensitivity on the performance of hospitality employees in cross-cultural service interactions. The results indicate that employees with high intercultural sensitivity scored significantly ($p<.05$) higher on measures of service attentiveness, revenue contribution, interpersonal skills, job satisfaction, and social satisfaction as they relate to cross-cultural encounters. There was no significant difference in scores for motivation-to-work, job tenure, and primary rewards (compensation, recognition, etc.). This study shows that conflicts are unnecessary, and that these interactions provide an opportunity to differentiate the quality of service. This research further indicates that interculturally sensitive employees provide their international customers with better service and their managers with better results. Specifically, these service workers will be more attentive to the needs of customers from other cultures. They will make greater use of suggestive selling, thereby creating opportunities to generate more revenue per foreign customer. Their interpersonal skills in a multicultural workplace will be more appropriate. These employees will also be more satisfied with their jobs, and will get more satisfaction out of interacting with foreign customers. According to this study, hospitality management that hires and develops interculturally sensitive employees will provide their foreign guests with better service and their organization with better results.

PAPER 22 – INTERACTIVE WEB-BASED MAPPING: A CASE STUDY OF THE REAL ESTATE INDUSTRY

Sanjay S. Mehta, *Sam Houston State University*

Mark R. Leipnik, *Sam Houston State University*

Gurinderjit B. Mehta, *Sam Houston State University*

The primary purpose of this paper is to introduce the reader to the use of interactive web-based mapping and spatial analysis utilizing Geographic Information Systems (GIS) technologies as a tool for E-marketers. E-marketing examples within the real estate industry are used to illustrate the potential and pitfalls of this powerful and expanding marketing approach. While the real estate industry was the main focus of this paper, it should be obvious that there are numerous other industries (e.g., tourism, banking, etc.) that can benefit from the trials and tribulations of Realtor.com and SSRRealty.Com. Powerful and complex technologies (e.g., GIS and WWW) have in the past been largely separate and independent. Recently, synergies between the technologies have begun to be exploited by E-marketers. For example, GIS software has been adapted to serve maps on the Internet. GIS data is being accessed from the Internet. Multiple sources of data are being submitted and retrieved from GIS programs, over the web. As these and other technologies converge, numerous additional applications will be developed (both within and outside the real estate industry). Many of the most exciting examples of the convergence of GIS, GPS, Internet, etc. will involve E-marketing applications. Ultimately, it will be the ability of interactively generated maps, delivered over a medium (e.g., PDA's), with a user-friendly interface, that will drive demand, uses, and appreciation of GIS in the future.

PAPER 23 – A BEHAVIOURAL APPROACH TO FOREIGN- MARKET EXPANSION TO TURBULENT MARKETS: A CASE OF THE INTERNATIONALISATION OF FINNISH CORPORATIONS TO THE REPUBLIC OF SOUTH AFRICA

Evariste Habiyakare, *Åbo Akademi University*

Jan-Åke Törnroos, *Åbo Akademi University*

In this paper, the power of the behavioural and location-based approaches are used as a framework in studying how Finnish MNCs have entered and developed their presence on the South African market. The behavioural approach provides for an understanding of the foreign market- expansion process to this turbulent market especially concerning process industries. The foreign market-expansion process to developing and emergent market is, however, largely dependent on the local institutional changes and the existing network of actors in that context. Trying to understand the core process involved in the foreign- market entry and expansion to turbulent markets of Africa requires a multi- factor analysis. Here the following factors are proposed: the Reasons (the R-factor), the environment (the E-factor) the M-factor (modal choice), the N-factor (Network), the events (Ev-factor) and finally the Time (T-factor) (REMNET). The authors propose a cross-fertilisation of these key elements in developing a behavioural approach with a location approach for corporate internationalisation. Through empirical cases it will be shown how Finnish firms have been exploiting new opportunities to strengthen their presence in this new market. The paper aims to increase our understanding of the dynamics and behavioural-locational aspects of foreign- market expansion by analysing the foreign market- expansion process of Finnish multinationals to the Republic of South Africa.

PAPER 24 – MEASURING DIMENSIONS OF BUSINESS MARKETING RELATIONSHIPS: AN EXPLORATORY STUDY IN THE MOTOR VEHICLES INDUSTRY

Morry Ghingold, *Bloomsburg University*

Although research examining business marketing relationships continues to grow, only limited consensus has been achieved regarding the identification and measurement of dimensions of B-2-B marketing relationships. This paper presents an exploratory analysis of opportunistically acquired data representing customers of a single supplier to the motor vehicles industry. The data collection effort permitted a preliminary determination of several key dimensions of marketing relationships and their respective operationalizations. Findings indicate that marketing relationships have four discernible central dimensions: trust, cooperation, uncertainty and commitment. Managerial and research implications of these results are discussed. This paper makes no presumption of generalizability or any statistical representativeness of its findings since buyer-seller relationship data used in the study represent relationships with a single vendor in a single industry. Nonetheless, the findings of the study provide stimulating findings regarding the dimensions of business-to-business marketing relationships and offer valuable directions for future research.

PAPER 25 – U.S. GAAP VERSUS IFRS: THE CHALLENGES IN GLOBAL REPORTING ISSUES

Karim S. Rebeiz, *American University of Beirut*

Rania Uwayda-Mardini, *American University of Beirut*

The International Financial Reporting Standards (IFRS), promulgated by the International Accounting Standard Board (IASB), have been applauded for being broad and principles-based. In other words, the concept of substance over form is the prevailing underlying theory for the proper execution and interpretation of financial reporting. Conversely, U.S. GAAP standards, set by the Financial Accounting Standard Board (FASB), have been criticized for being detailed and prescriptive. Under U.S. GAAP, the adherence to the letter of the law would take precedence over the spirit of the transaction, albeit some exceptions. The contention of this paper is that neither approach to standards setting is optimal. They are rather two extremes along a continuum. A step in the direction of greater convergence should probably entail some hybrid of both methods in such a way as to preserve the spirit of the standards, while modifying some clauses to make them more practically applicable and consistent across firms and countries.

PAPER 26 – HOW TO EFFECTIVELY COMBAT FRAUD AND MANAGEMENT OF EARNINGS?

Karim S. Rebeiz, *American University of Beirut*

The recent practices of manipulating accounting standards in which companies artificially inflate their reported earnings have ranged from aggressive accounting, to disingenuous accounting to plain corruption and fraud. The result has been the unjust enrichment of the managers at the expense of the shareholders since executive compensation is linked to financial performance. These events have justifiably created some nervousness in the market place and have badly battered the confidence of shareholders, creditors and other constituents that rely on transparent and comparable financial information. Many firms have created the impression that value has really been created whereas the reality shows that the value is just the result of accounting subterfuge. The increasing cases of frauds and management of earnings have prompted governmental, accounting and auditing authoritative bodies to embark in a number of regulatory reforms to improve on the quality and reliability of financial reporting. Although these recent initiative are all steps in the right direction, the most effective defense mechanism against disingenuous management maneuverings still remains within the confine of the firm itself, and particularly at the level of the audit committee of the board of directors.

PAPER 27 – ISLAMIC CONTINUAL JOINT VENTURE RENEGOTIATION STRATEGIES: THE CONCEPT THAT CONTRACTS ARE NO MORE THAN AGREEMENTS AT A SINGLE MOMENT IN TIME

Valentin H. Pashtenko, *American University in Dubai*

International Joint Venture (IJV) literature is divided between academicians who consider joint venture agreements as being the terminus of a negotiation process, with the product of such efforts being the fixed venture agreement itself. In contrast are those who consider the venture agreement as merely an inceptive agreement, that is to say, an ongoing process in which two or more principals agree to continue to try to agree in the future. This product versus process argument has persisted for over a decade; advocates of the former reasoning that parallel objectives must have existed at some point for the joint venture agreement itself to have been reached. Regardless, recent process successes in Arab-Islamic joint ventures with Western foreign principals indicate that equity theory explains these agreements in the absence of parallel objectives. In particular, equity theory rationalizes the iterative process that these endeavors take, as well as explaining why Islamic host principals view the venture agreement product as nothing more that an inceptive agreement at a single point in time. It is at this critical point that Western foreign principals terminate their endeavor discourse while Arab-Islamic host principals only truly begin the negotiation process. This study offers propositions for understanding and managing ventures between Arab-Islamic and Western principals. Finally, this study offers parallel examples from the Middle East to illustrate these propositions and discusses the implications of a process approach.

PAPER 28 – ACTING ON REPUTATION AND IDENTITY ALONE: A STUDY OF EMPLOYEE BEHAVIOR DURING THE FINAL DAYS OF A BUSINESS LIQUIDATION

Valentin H. Pashtenko, *American University in Dubai*

During a business liquidation, the trusted assumption has been that employees will immediately behave in a manner that differs from their normal pattern of behavior upon learning of their imminent termination. Based upon this belief, managers facing business liquidation and employee terminations have made use of atypically greater methods of compensation (e.g., exit bonuses and rewards), relied upon employee placement and retraining services to prevent employees from leaving early, and have even systematically delayed informing employees to allow for the most efficient transition possible. The conceptual problem with such approaches lies in their reliance upon extrinsic systems or even withholding information when management faces ambiguity regarding assumed employee behavior. Thus, intrinsic motivations, inter-subjective reputations, and individual identities have been assumed as being untrustworthy during periods when management needs to rely upon them. At the same time, academic and practitioner research advocates the supplemental use of intrinsic motivation in virtually all other situations. Consequently, existing research lacks a sound understanding regarding the influence that intrinsic motivation has on employees during periods of job insecurity – when intrinsic rewards are assumed to have diminished value. This study examines the case of employee behaviors during business liquidation, from fully salaried to strictly commissioned employees, and assesses the influence that intrinsic versus extrinsic motivators have upon individuals, some whose very reputations and identities are closely tied to their employment.

PAPER 29 – A STUDY OF HOA VIET PAPER AND PACKAGING CO., LTD, VIETNAM

(Robert) Tuan Anh Hoang, *Bond University*

Vietnam's economy has continued to develop steadily since its liberalization in order to integrate with the global economy. Over the past five years, the country's Gross Domestic Product (GDP) has grown at an average rate of around 8% per year. Paper packaging industry has been increasing strongly for the last five years because of the expansion in its domestic economy as facilitated by the infusion of foreign direct investment in the Vietnam economy. This case study examines the evolution of Hoa Viet, a paper and packaging company in Vietnam. Its business consisting of three major factories employs 2000 full time employees, with more than USD 10 million annual turnover. Its major clients include globally renowned multinationals such as LG, Samsung, Daewoo, Miwon, and Sony. The company, established by two Russian trained Vietnamese brothers in 1997 as a family business is passing through an important phase in its life, being challenged by a new competitor endowed with foreign direct investment from a renowned Japanese multinational.

PAPER 30 – ECONOMIC LIBERALISATION: NEEDED CHANGES IN FARMERS INSTITUTIONS AND ORGANIZATIONS

A. Amarender Reddy, *Indian Institute of Pulses Research*

A. The liberalized world market has opened up new opportunities as well as challenges to Indian agriculture and farmers. As majority of Indian farmers are small and marginal there is greater scope for institutional reforms to enhance scale and scope of economies in farming systems. In this respect the paper critically analyzes success stories of some of the institutions, which can be role models for future institutions for empowering rural areas and farmers. The paper ends with policy suggestions, like (1) to develop culture of self-help groups (SHG) in every walk of life in rural areas as it take advantage of cooperative principles without compromising accountability of a member to the society, (2) Encourage both horizontal integration (for example chain of dairy farmers SHG's, chain of handicrafts SHG' s) and vertical integration (forming conglomeration of district level, state level committees of self-help groups of dairy or handicrafts) of self-help groups wherever possible to maintain well-informed network as in the case of existing dairy, (3) Taking help of NGOs wherever possible, (4) encourage local initiatives in organizational building, (5) professional leadership from the formation stage of SHG and (6) Direct marketing through SHGs or informal groups, NGOs, cooperatives, Farmers Associations, Companies, partnership firm, joint ventures may be encouraged by government through various policy back up and programmes. These organizations may be encouraged to create and manage markets, and to strengthen institutions thereby increasing competitiveness of Indian farmer-entrepreneur based on the past experience.

PAPER 31 – AN EXPLORATORY STUDY OF CRM IMPLEMENTATION IN THE MALAYSIAN AUTOMOBILE INDUSTRY

Nor Khomar Ishak, *University of Malaya*
Adam Dilip Mutum, *Universiti Utara Malaysia*
Cheong Khai Fan, *University of Malaya*

The deregulation of the Malaysian automobile industry has resulted in intensified competition with the presence of more players in the market place. Customer relationship becomes important when there are many companies trying to satisfy their customer needs and create customer loyalty. The practice of CRM is relatively new in Malaysia and this exploratory study is one of the first to look into this area with regards to the automobile industry. This study compares the perspectives of two national and ten non-national car companies in Malaysia with special reference to the various CRM Programs implemented by them. Despite the fact that CRM usage is still relatively new in Malaysia, the study concluded that it has been indeed proved useful to Malaysian automobile marketers, especially in identifying the target customers and reach specific customer segments besides identifying various customer needs. The researchers suggest some areas for future research.

PAPER 32 – A PROPOSAL OF THE GLOBAL MARKETING MANAGEMENT FRAMEWORK

Hiroshi Kosaka, *Chuo University*

This framework for global marketing management is provided to meet the following purposes: (1) Introducing practitioners' viewpoint. Comprehensive understanding of marketing management framework. (2) Making marketing theory truly applicable in the strategic management. Strategy should be quantitatively made to be operational. Marketing environment should be analyzed quantitatively. (3) Introducing a Structure Where Operational Strategy Can Respond to Quantitatively Analyzed Marketing Environment in the Global Perspective. Quantitative concept of Common Factor and Different Factor is introduced to analyze global marketing environment to which Standardization Strategy and Adaptation Strategy can respond respectively. Factors of the Macro-environment can work as Predictor Variables to explain Micro-environment as Criterion Variables. Operational global marketing strategy can thus be made to respond to the quantitatively analyzed micro-environment.

PAPER 33 – BUSINESS ETHICS SENSITIVITY & AWARENESS IN LEBANON: AN EMPIRICAL INVESTIGATION

Yusuf M. Sidani, *American University of Beirut*
Imad J. Zbib, *American University of Beirut*
Tarek Moussawer, *American University of Beirut*

Business ethics is the subject of growing interest in the business world in general, especially after the series of business scandals that have headed business newspaper pages over the past three years. In the Arab region even more than anywhere else in the world, unethical behaviors and practices are cause for concern. The main objective of this project is to assess the levels of sensitivity and awareness towards business ethics, from the perspectives of students and business professionals. A survey was developed, based on previous literature, to measure respondents' sensitivity, awareness and willingness levels linked with various scenarios of unethical business behavior. The main findings were that professionals demonstrated higher levels of both sensitivity and awareness towards unethical acts, that the acts perceived to be most unethical were believed to occur the least, and that the respondents were still willing to engage in certain behaviors despite considering them unethical. Additional results showed that females exhibit higher sensitivity than males, and that Lebanese people's perception links unethical acts with a high occurrence rate. The above results, in addition to the more detailed analysis, give Lebanese organizations and institutions more insights about strategies and changes that can be adopted to improve the current situation and increase awareness about business ethics.

PAPER 34 – INDICATORS OF INFORMATION SYSTEMS FAILURE: AN EXPLORATORY MODEL

Imad J. Zbib, *American University of Beirut*

Toni Feghali, *American University of Beirut*

Preventing Information Systems (IS) failure is an integral part of any operation, and Information Systems (IS) failure has been a major problem from the late 1980's till our present day. Many businesses and institutions faced IS failure each of a certain degree. The purpose of this paper is to identify IS failure indicators in order to establish a prevention model. The main *data set* on which the work was based is the set of the reviewed papers that contributed to the area of IS failure and, furthermore, by using the *categorization* technique as a secondary data analysis, the building blocks viz. cultural, technical, and managerial on which the proposed IS-failure model were created were taken into consideration. The author had shown these indicators through a literature review, categorize them under three different headings, and propose to test a model for predicting IS failure.

PAPER 35 – THE ANTECEDENTS OF INAPPROPRIATE EMAIL USE IN ORGANIZATIONS

Beena George, *University of St. Thomas*

As email use has become routinized in organizations, uses of email unintended by the organization - intentional misuse and inept use – have become common. This inappropriate use of email technology results in decreasing effectiveness and increasing costs to the organization. Organizations have recognized the need to curb the inappropriate use of this technology and have implemented monitoring technologies and in some cases, curbed the use of the technology itself. A true solution to this problem of inappropriate use of email technology can only be proposed based on an awareness of the factors that lead to such behavior. The goal of this paper is to propose a model of the antecedents of inappropriate email use in organizations.

PAPER 36 – CHARACTERISTICS OF URBAN MALAYSIAN ENTREPRENEURS: GRADUATES VS NON-GRADUATES

MD Nor Othman, *University of Malaya*

Ezlika Ghazali, *University of Malaya*

Yeoh Sung Sung, *University of Malaya*

The study attempts to uncover the characteristics of typical entrepreneurs in Malaysia. It seeks to investigate whether becoming an entrepreneur is characterized by entrepreneur's personality characteristics. In addition, it attempts to explore the relationship of the level of education (graduate and non-graduate) with personality, family background and company background. Three demographic variables and one business characteristics variables were found to be significantly different between graduate and non-graduate entrepreneurs. Overall, in terms of entrepreneurial personality characteristics, both graduate and non-graduate entrepreneurs scored high with respect to the Pursuit of Excellence; moderately high on Work Ethics; moderate on Dominance, Mastery, Internal Attributing and moderately lower on Powerful Others and Chance Attributing dimensions. In particular, the Chance Attributing dimension was found to be statistically significantly different across the groups, whereas 'pursuit of excellence' and 'dominance' dimensions to be marginally significant. The implications of the study are also discussed along with some recommendations.

PAPER 37 – THE INFLUENCE OF THE GENDER ON SALESPERSONS GESTURES

Philippe Coffre, *University Pole Leonard de Vinci*

This paper analyzes the influence of the gender on the gestural behavior of the salespeople. It contributes to the field by underlining the impact of women gender on the production of movements (feet, glances, eyes, legs) and men gender on (hands, head, glance movements). While noting little quantitative work on the subject, this article shows a statistical distinction between the gestures corresponding to these genders. We present, on one hand, the differences between the theoretical contribution and the results obtained during the experiment and, on the other hand, the practical conclusions. It tends to clarify a new field less studied by researchers and opens ways on original studies in sales.

PAPER 38 – THE INFLUENCE OF THE SITUATIONS (CALM AND STRESS) ON THE GESTURES OF THE SALESPERSONS

Philippe Coffre, *University Pole Léonard de Vinci*

This paper analyzes the influence of the situations on the gestural behavior of the salespersons. It contributes to this field by underlining the impact of the situations of stress on the production of movements (of feet, of the glance, the eyes, the legs) and of the situations of calms on the movements of (hands, the head, the glance or the presentations of documentation). While noting the little quantitative work on the subject, this article shows a statistical distinction between the gestures corresponding to these situations. It makes it possible, on the one hand, to note the differences between the theoretical contribution and the results obtained during the experiment and, on the other hand, to draw some practical conclusions. It tends to clarify the new field less studied by researchers.

PAPER 39 – THE WORLD VS. DOMESTIC NEGOTIATOR: AN ANALYSIS

Philippe Coffre, *University Pole Leonard de Vinci*

The objective of this research is to position the world negotiator in front of the domestic one. The methodology is built on an analysis of the sales call process along global and domestic lines. It further described, that the world negotiation consists of identification of qualities of the product and definition of priorities. The definition of the needs will make it possible to determine the fundamental needs and to coordinate a system of adapted approach. The control in the negotiation will consist in speaking a comprehensible language and encouraging an interlocutor. It is a phase of persuasion. The domestic salesperson will develop such qualities as personal relation, individual follow up, and innovation which will give better chance to succeed. It was reported that the world salesperson will need a world investment. The domestic salesperson will discriminate towards his competitors. It was also established that the world salespeople show that personality and investment help to succeed whereas domestic ones underline the importance of energy, patience and conviction.

PAPER 40 – TEACHING BUSINESS ETHICS THROUGH PROBLEM-SOLVING

Yusuf Munir Sidani, *American University of Beirut*

There has been a growing controversy pertaining to the role of ethics teaching and training on the behavior of individuals. Irrespective of the position of the above controversy, it is evident that societies are expecting that ethics be taught to future managers, because of the perceived notion that teaching general ethics has a positive impact on behavior. Scandals that have stormed the corporate world in the past few years have rekindled the heated debate. It is becoming more evident that ethics education is becoming part of the core business education in many schools, and business ethics is being taught to students in almost all undergraduate and graduate business programs one way or the other. There has been a growing interest in the tools and methodologies used in ethics education. Ethics education can benefit from the use of a pedagogy employing problem-based learning (PBL). This requires that students' roles change from recipients of information to problem solvers with more control over the learning interaction, while instructors assume the role of facilitators rather than information providers. PBL necessitates that instructors are able to come up with relevant and motivating problems that can enhance student learning. The structure of an ethics course using PBL is presented and its implications are discussed. In addressing the issue of ethics education three fundamental questions were put forward: Can ethics be taught? Should business schools include, in addition to courses on business techniques and theories, courses that tackle matters of ethics and social responsibility? What has been the record of ethics education so far? Has the increase in ethics courses and the increasing attention ethics is getting in business schools been reflected in the workplace? How ethics can be taught? Even if we all agree that ethics should be taught to young students, what is the most effective way of fulfilling the learning outcomes?

PAPER 41 – LIBERALIZATION OF FOREIGN DIRECT INVESTMENT IN INDIA: CURRENT ISSUES AND FUTURE PROSPECTS

Anusuya Yogarajah, *Director Manulife (Singapore) Pte Ltd*

In recent years, many developing countries are liberalizing their economies for attracting foreign direct investments. Foreign direct investment can play an important role in economic development as can be seen from the transformation of economies such as Malaysia, Thailand, Singapore and China from mainly agragian economies into major producers and exporters of manufactured goods. This paper looks at the economic reforms in India as far as foreign direct investment is concerned. India's economic policy reforms have played a critical role in the performance of the Indian economy since 1991. These reforms have involved opening up the economy, increasing the economy competitiveness and reducing government regulation. In addition to discussing the liberalization policies of the Government of India and India's progress since such liberalization, the various issues facing the economy and the future prospects are also considered. It is concluded that foreign direct investment into India is nowhere near its potential. A policy and regulatory framework attracting liberalization and industrialization as a whole is required together with transparent and proactive policy pronouncements.

PAPER 42 – LIBERALIZATION AND THE INSURANCE SECTOR: THE CASE OF INDIA

Anusuya Yogarajah, *Manulife (Singapore) Pte Ltd*

Insurance has become an important sector for all economies. Involving relatively constant cash flow with deferred and contingency related payout, it has made possible the generation of long term investible funds for infrastructure development. Further, insurance develops a savings habit while providing a safety net to enterprises (both urban and rural) and individuals. Hence, a thriving insurance sector is of vital importance to every modern economy. In addition to encouraging the savings habit, it provides a safety net to rural and urban enterprises and individuals. It also generates long-term investible funds for infrastructure building. This paper seeks to understand the current insurance legislation in India as far as foreign direct investment is concerned and the reasons for further liberalization of the insurance industry. For example, there are various reasons India should consider liberalizing its insurance sector: Large market potential in terms of (a) the size of the population; and (b) the poor reach of insurance to the population, Infrastructure, Multinational's interest, Employment. There are several benefits from opening up the insurance sector: (a) this will mean new products, better packaging and improved customer service (b) new distribution and marketing channels will develop (c) new insurers can contribute to the local industry by making available sophisticated risk coverages, underwriting large risks, and, in the case of foreign insurance firms, transferring insurance expertise to their local partners (d) insurance products become more affordable and available to a larger number of individuals and businesses. This will translate into a greater contribution to the local economy (e) insurers would be pressurised to increase their efficiency and be more competitive (f) the inflow of foreign capital and expertise to the local market will result in all the participants in the market receiving the benefits of scale- and scope-economy effects of insurance operations.

PAPER 43 – MEASURING SERVICE LEVEL: LIBERALIZING THE MALAYSIAN HEALTHCARE INDUSTRY

Abdul Razak Ibrahim, *Universiti Malaya*

This paper is intended to provide an overview of Malaysian healthcare systems-A system that caters toward developing nation requirements. Malaysia with a population of 24 million consist of 60% living in rural community where healthcare risk is high. The healthcare need is pressing in Malaysia especially in a multiracial society. Secondary data were collected to look at the very nature of performance measurement activities in Malaysia. The empirical data collected suggest positive feedback on Malaysia healthcare policy. Also, the Ministry has successfully implemented a policy to stimulate growth among clinical workers especially doctors, as suggested by the author. The aim of this paper was to understand the factors that shape performance measurement systems in Malaysia. It served as environmental scanning to look at industry structure and activities in tracking performance measurements in Malaysian hospitals, the public as well as the private sectors. Secondary data revealed that performance measurement activities are undertaken by the public sector at the national level. These were the 'National Indicator Approach', consisting of nineteen (19) indicators, and the 'Hospital Specific Approach', consisting of forty-two (42) indicators from different services. The private sector, on the other hand, was declared to be independent, and collects its own indicators for the purpose of decision making by top management. Both sectors have different purposes in mind.

PAPER 44 – PROPERTY INVESTMENT AND INFLATION HEDGE: EVIDENCE FROM MALAYSIA

Fazilah Abdul Samad, *University of Malaya*

Shanti Rani S. Kolandasamy, *University of Malaya*

This study found that property investment in Malaysia will not only lower the risk profile of an investment but will also provide a greater degree of protection against both expected and unexpected inflation, regardless whether we invest in physical form or in property stock. Using Fama and Schwert (1977) framework, our regression analyses results suggest that while only high rise residential apartments provide a complete positive hedge against unexpected inflation only, all other residential properties provide complete positive hedges against both expected and unexpected inflation. Property stock also provides a complete positive hedge against expected and unexpected inflation during the same study period.

PAPER 45 – THE ISLAMIC MARKETING PHILOSOPHY

Mohamad Said Othman, *University of Malaya*

Maznah Ghazali, *University of Malaya*

Ahmad Zahiruddin Yahya, *University of Malaya*

In this paper, the writers depict the Marketer as one who travels on a road of discovery to strip his Ego and embrace new higher realities such as the Product, the Consumer, Society, Nature and the Virtual World. However his travel does not end there as he has to complete the final part of his journey to discover his Creator, Allah. The marketing philosophies currently taught in the curricula of universities are secular in nature and devoid of God and Godliness. Taking into consideration the existence of a billion Muslim consumers today, a new paradigm is inevitable. Thus Islamic Marketing Philosophy is introduced.

PAPER 46 – CONCEPTUALIZATION OF THE ANTECEDENTS OF IMPORTER COMMITMENT: A FRAMEWORK OF FUTURE RESEARCH

Md Abu Saleh, *Queensland University of Technology*

M. Yunus Ali, *Queensland University of Technology*

The concept of commitment plays an important role as one of the major factors influencing relationships in the exporter-importer dyad. The relationship between importer and supplier is critical; however, it is apparent from pertinent literature that not sufficient attention so far has specifically being paid to exploring and theorizing the importers' commitment to an import supplier and its antecedents. Through the integration of different perspectives along with buyer-seller commitment relations, the study strives to synthesize factors influencing importer commitment to a foreign supplier. Cultural similarity with the overseas supplier, knowledge and experience, the relative advantage of importing; communication, opportunism, trust, importer transaction-specific investment, and environmental volatility are found to be relevant antecedent variables that may influence importer commitment. Theoretical foundations are drawn from the internationalization process, the resource-based theory of the firm and transaction cost economics as a framework for better comprehending importer commitment relationship.

PAPER 47 – COUNTRY COMPETITIVENESS AND THE ENTREPRENEURIAL ROLE OF THE NATION-STATE

Farid Sadrieh, *Quinnipiac University*

Madan Annavarjula, *Northern Illinois University*

The dawn of new millennium has witnessed the acceleration of the process of globalization, and the enhancement of the role of many multinational corporations (MNCs). National Governments too have begun playing a more pro-active role in not just external capital generation but also in its efficient utilization through effective implementation of various developmental programs and initiatives in collaboration with public and private enterprises. This "pragmatic extension" in policy emphasis has enabled country governments to envisage themselves as more active partners in progress rather than just passive implementers of public policy. For example, the role of government in the transition of Singapore from being a "third world" country in 1965 to a prosperous, developed nation in the 21st century suggests that government could be a major participant and a positive influence even in a free enterprise model by forging close partnerships with the MNCs. Governments in China, India, USA and Japan too have followed a policy of involvement albeit in different styles and levels. This paper examines the intervention and involvement alternatives that country governments have in enhancing their country competitiveness.

PAPER 48 – A REVIEW OF LEADERSHIP TRAITS AND STYLES WITH ETHICAL AND FUTURISTIC IMPLICATIONS OF TRANSFORMATIONAL LEADERSHIP

Mildred Golden Pryor, *Texas A&M University-Commerce*

Leslie Ann Toombs, *University of Arkansas at Fort Smith*

John Thios, *Texas A&M University-Commerce*

Charles Crews, *Texas A&M University-Commerce*

This article includes discussions of leadership traits and styles resulting from research conducted over a span of over 50 years. It includes studies and theories of Stogdill (1948 and 1974), Mann (1959), Burns (1978), Koestenbaum (1991), Buhler (1995), Kouzes and Posner (1995), Northouse (1997), Trigg (1997), Bass (1998), Pryor, White and Toombs (1998), McClenahen (1999), Bennis (1999 and 2000), Kotter (2000), Bloch (2001), et al. Transformational leadership is identified as the leadership style that can most effectively be utilized in today's ever changing organizations. Bass's Transformational Leadership Model, along with empirical support for it, is discussed in-depth. Information is provided on the ethical and futuristic implications of transformational leadership and the potential negative impact of various leadership traits and styles. Recommendations are made for leadership assessment for purposes of development as well as future research on the traits and styles of leaders who, through their unethical and/or illegal actions, have caused negative organizational results.

PAPER 49 – GEORGE W. BUSH: THE FREE TRADE PRESIDENT?

Dale R. Funderburk, *Texas A&M University-Commerce*

This paper examines both the rhetoric and the record of the George W. Bush presidency relative to free trade. While President Bush's political opponents attempt to associate him with free trade policies that they claim cost Americans jobs, does he actually deserve the reputation, and associated credit or blame, of being a free trade President? Policies that the Bush Administration has pursued, both those restricting trade and those opening markets and expanding trade, are examined. Additionally, some of the political and educational implications of what appears to be an emerging "New Mercantilism" are discussed.

PAPER 50 – GENETICALLY MODIFIED PRODUCTS BY MONSANTO COMPANY: A GLOBAL CONTROVERSY

Mary Anne Milward, *Texas A&M University at Commerce*

Monsanto Company, the giant of the biotech industry in the agricultural division, is facing controversy in its worldwide launch of genetically modified products, due to fears of unintended environmental consequences. In spite of an enormous need for seeds that are resistant to disease and drought, to increase agricultural production for a hungry world, many countries are suspicious of technological innovation in the food supply. Balancing these concerns, and dealing with worldwide markets at various stages of evolution, will be a challenging task if Monsanto is to survive. The authors analyze Monsanto's situation in 2002, as they are spun off from their parent company, and present background information on biotechnology. Then they look at arguments in favor of and against the use of genetically modified foods, and ultimately evaluate Monsanto's strategic focus.

PAPER 51 – DOES PATRIOTISM IN COUNTRY OF ORIGIN MATTER?

Klaus-Peter Wiedmann, *University of Hanover*

Xia Yang, *Bloomsburg University of Pennsylvania*

Jasline Yet Han Yin, *Nanyang Technological University*

Yeo Ee Ee, *Nanyang Technological University*

Debie Low Chuan Min, *Nanyang Technological University*

In Malaysia, strong patriotism is thought to influences consumers' dispositions toward products so that they tend to favor products "Made in Malaysia". This study investigates the degree of influence of country of origin (COO), global branding, and national loyalty (ethnocentrism) on Malaysians' preference for cars. The research was based in Malaysia, with a secondary study in Singapore to examine differences in attitudes between the two nations. A total of 421 questionnaires were administered in Kuala Lumpur

and Singapore respectively. Respondents were asked to rank nine attributes of cars assembled in America, Germany, Japan, Malaysia, and South Korea. The results show that there are stronger COO and ethnocentrism effects influencing Malaysian consumers compared with Singaporean consumers. Based on the findings, the study offers some suggestions to international marketers for improving the strategic effectiveness of their marketing programs, and provides policy recommendations for the government of Malaysia.

PAPER 52 – VENDOR MANAGED INVENTORY (VMI) AND DELIVERY PERFORMANCE

Ramayah Thurasamy, *Universiti Sains Malaysia*

Imad Zbib, *American University of Beirut*

Sazani Shafie, *Universiti Sains Malaysia*

This study investigates the extent of Vendor Managed Inventory (VMI) and its influence on contract manufacturer's (CM) performance, particularly the factors of demand sharing, information sharing and strategic partnership, in supply chain management. A survey using a questionnaire obtained a return of 80 out of 124 (64.5%). Analysis of the results shows that information sharing and strategic partnership do have a positive impact on CM performance. The higher the level of both factors, the higher the CM performance. The paper established that CM performance is an important factor in enabling OEM to increase end-customer satisfaction level. Moreover, if CM fails to deliver parts on time, provide correct parts with desired quality levels and respond to costs pressure, it will negatively affect OEM performance as well. The negative or positive influence by CM will determine survival or success of OEM. As such, the above statement signifies the need to ensure that VMI really benefits CM through better delivery. Higher CM performance, achieved by reacting proactively and by better planning of resources, eventually increases OEM performance, and will ultimately increase end-customer satisfaction level. On a broader note, VMI could increase CM performance and eventually increase the whole supply chain management performance.

PAPER 53 – AN EXPLORATORY INVESTIGATION OF PRODUCT ASSORTMENT ASSOCIATIONS AND HEALTH CONSCIOUS ATTITUDES AND BEHAVIORS IN GOURMET AND PREMIUM MARKETS

Chris Myers, *Texas A & M University – Commerce*

This paper focuses on premium brand attributes, healthy attributes, associated terminology, consumption, preference, and assortments. We examine the amount of knowledge and preference consumers may have for organic coffee. Product assortment continues to be one area in which marketing managers can gain improved consumer response. However, it is an area with limited research compared to its importance. This study seeks to investigate the attributes importance within the coffee industry for premium gourmet brands. This exploratory study reveals product assortment can be used to gain a substantial and sustainable competitive advantage and or differentiation. Key study findings are 1) consumer knowledge of the organic terms appeared to be very high and 2) taste and quality are the most preferred attributes, and 3) there are differential effects due to consumption frequency of coffee. We then discuss the results and introduce possible directions for future research.

PAPER 54 – DO US AND INTERNATIONAL STUDENTS VIEW THE AIRLINE BRANDS DIFFERENTLY? A POST 911 VIEW OF THE AIRLINE INDUSTRY

Chris A. Myers, *Texas A&M University – Commerce*

This paper explores brand perceptions between international students and US students. The focus is on key components of brand equity, which is one of the critical areas for marketing management. There has been little attention dedicated to the cultural and national impact of Sep 11 on brand equity in the airline industry. This study explores some of the consequences and the Sep 11 impact on brand equity components. In particular, the effects of Sep 11 and terrorism on consumer preferences for specific airlines are examined. Of particular note are the major differences between international consumers and US consumers. This pilot study is important due to the implications for managers in setting pricing policy based on prevailing trends before and after Sep 11. Branding decisions are becoming increasingly important in services, but little service-specific research has focused on this domain so far. This is surprising, as the service industry accounts for an ever-growing share of the global economy, whereas service aspects have become increasingly important for all goods. Marketing managers may want to capitalize on previously acquired brand equity by extending a reputable brand to a new category.

PAPER 55 – GLOBAL SOURCING STRATEGY BY FOREIGN MULTINATIONAL FIRMS: IMPACT OF LOCATION, AND PRODUCT FACTORS

Siti Halijjah Shariff, *Universiti Teknologi MARA*

Two-thirds of the cost of goods of a firm is tied up in purchase expenditure. Global sourcing being one of purchasing strategies is now seen as the contributor for the survival and growth of a manufacturing firm. The recovery of Malaysia in 1999 after the financial crisis was due to the strong performance of the manufacturing sector. Owing to its dominance and importance in the emerging economy; investigations as to its degree of sourcing has to be carried out. This study proposed a model investigating the relationship between location and product factors, and global sourcing strategies. In addition, it offers the moderator effect of sourcing-related factors to the model.

PAPER 56 – ENTERING NEW EXPORT MARKET: THE CONTRIBUTION OF MARKETING FACTORS

Osman Mohamad, *Universiti Sains Malaysia*

T. Ramayah, *Universiti Sains Malaysia*

Razli Che Razak, *Universiti Sains Malaysia*

Marketing competencies do not only differentiate between exporting and non-exporting firms but also between firms that are at different stages of their internationalization process. This paper highlights the export marketing competencies of Malaysian exporters. The focus of the analysis is on differentiating exporters that venture into new export market compared to their counterparts that did not venture into new export market. The finding shows that the importance placed on two marketing competencies, namely product adaptation and managing relationship with distributors are associated with the former group of exporters. The latter group of exporters is found to place greater importance on external support in their export venture.

PAPER 57 – MARKETING TO LOWER INCOME CONSUMERS IN DEVELOPING COUNTRIES: A CASE STUDY OF PAKISTAN

Ejaz Ahmed Mian, *Institute of Business Administration, Karachi, Pakistan*

This study is designed to examine the application of Grounded Theory (GT) to lower income consumers (LICs), who constitute an overwhelming majority of consumers across developing countries such as Pakistan. The premise of our proposed research template is that such an approach will enfranchise LICs by expanding the market currently dominated by affluent and middle class consumers. Such a strategy would expand the market-base of MNCs and improving the quality of life for LICs. The inclusion of LICs within the purview of MNCs strategies is tantamount to a paradigm shift in the current structure of MNCs, as our research model is designed to expand their market coverage.

The proposed research is intended to use personal interviews and focus groups to explore which product categories LICs would like to buy which they are not currently buying if MNCs adjust their strategies and make these products available to LICs. It is feasible to market these products by adapting them employing sustainable technology, and state of the art research and development.

Secondly, in-depth interviews was conducted with marketing executives of selected MNCs in Karachi and Lahore (Pakistan) in order to study the way targeting decisions are made and how the mindset of marketing strategists could be awakened to the supposed reality of LICs being a feasible segment of future markets.

It is simply good sense for big players (MNCs) in the global market place to focus on big opportunities. Such opportunities lie at the bottom of the pyramid. By bringing LICs into the market place, MNCs would not only create a base for future growth but would play a highly desirable role of *societal marketing* that neither the governments nor the NGOs have so far played with any appreciable success.

The challenge of societal marketing across developing countries such as Pakistan needs to be addressed by all stakeholders. Our proposed model attempts to address it. Society at large is the ultimate beneficiary, as by enfranchising the poor, socio-political tensions against "*globalization and MNCs*", would be eased to a great extent.

PAPER 58 – THE UN, TRANSNATIONAL CORPORATIONS AND HOST COUNTRIES: IS ANOTHER STORM APPROACHING?

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The paper highlights the role of United Nations (UN) and its various organizations helping its member countries in three specific areas: knowledge-creation and dissemination, policy formulation, and capacity building.

PAPER 59 – KUWAITI IMPORTERS' EVALUATIONS OF THE BUSINESS PRACTICES OF THE EXPORTERS FROM DIFFERENT REGIONS OF THE WORLD

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The international business literature is replete with many studies dealing with the exporters problems and challenges in overseas markets. However, very few studies dealt with the perspectives of the importers and experts called for more systematic research dealing with the importers side of the international trade dyads. Hence, this paper systematically investigated the importers' evaluations of the business practices of the exporters from different regions of the world. As the dynamics of world trade are significantly changing in recent years and new players such as the Asian countries enter the international trade arena, it is necessary to evaluate the competitive strengths and weakness of exporters from different regions of the world. Such research findings will be beneficial to both importers and exporters. From these perspectives a detailed empirical investigation was undertaken in the context of the import rich Kuwaiti business environment. More specifically, the research presented in the paper dealt with the following research questions: How do importers perceive the relative importance of the various international marketing dimensions of exporters' business practices? To what extent importers are satisfied with the business practices of exporters from different regions of the world? How do exporters from different regions compare with each other as a group so that their relative strengths and weaknesses can be identified from the perspectives of the importer? How do importers perceive potential problems in dealing with the exporters of different regions of the world? The implications of the research findings for importers for their supply chain management and for exporters for their export expansion efforts were explored.

PAPER 60 – ADAPTING WESTERN FRANCHISING SYSTEM TO VIETNAM'S NEEDS

(Robert) Tuan Anh Hoang, *Bond University*

This paper elaborates on the Vietnam retail industry, with respect to consumer expenditure and population growth. It is studied that household owned retail shops comprise 98% of total retail outlets, independent stores account for 99.99% of total number of retail outlets across the country, and retail revenue of privately owned businesses account for 80% of the total retail revenue in Vietnam. The author has proposed a strategy that would allow the company to make profits both as a retailer and as a wholesaler. It minimizes the risks of failure of new retail outlets during initial stage. Moreover, current shop owners will be able to increase their sales and profits using the proposed model and strategy. Households having strategic locations will be able to start their own business with very little startup capital under a proven business model. Franchising outlets will spread throughout the country rapidly due to the flexibility of proposed franchising strategy.

PAPER 61 – COMPLIANCE WITH CONSOLIDATION (GROUP) ACCOUNTING STANDARDS-THE VERTICAL ADJUSTMENT ISSUE: A SURVEY OF SWEDISH MULTINATIONALS

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Lars G. Hassel, *Åbo Akademi University*

Gary M. Cunningham, *American University of Beirut*

Previous research into consolidated financial reporting of multinational companies has focused on horizontal adjustments, adjustments at the headquarters level to comply with accounting standards of the country where a stock exchange listing is made, e.g. US GAAP, or IAS. An equally, if not more important issue is vertical adjustments made by foreign subsidiaries when information is transmitted to the headquarters for consolidation. This study surveys all Swedish multinational companies listed on the Stockholm Stock Exchange first in the early 1990s and again some 10 years later to determine whether vertical adjustments were made as an indicator of compliance with Swedish accounting standards. The results indicate that while most Swedish multinational companies made vertical adjustments, the large number that do not indicate a potentially high degree of non-compliance with accounting standards. In all cases, though, the companies claimed they had complied and their auditors concurred. The results suggest lax enforcement activity in Sweden because companies listed on more than one stock exchange consistently made vertical adjustments. The results also indicate that large companies, companies with large amounts of foreign operations, and manufacturing companies were more inclined to make vertical adjustments. Further research in the subsidiaries themselves is indicated.

PAPER 62 – SINGAPOREAN CONSUMERS' ONLINE BEHAVIOR: AN ASIA PACIFIC PERSPECTIVE

Thomas Tsu Wee Tan, *Singapore Management University*

Donald Hendon, *University of the United Arab Emirates*

Shawn Carraher, *Cameron University*

The internet has had wide implications for the travel industry. This research seeks to explore the feasibility of setting up a Web presence in Singapore by examining the receptivity of consumers in purchasing travel products online in addition to studying the various motivations and concerns the public may have towards online shopping. Results revealed that a majority of the respondents would consider buying travel products online in the near future, with consumers who have purchased travel products online before being more receptive than consumers who have not purchased travel products online before. We believe that two different marketing strategies should be employed in targeting these two different segments of the target market.

PAPER 63 – ASSESSMENT OF ATTITUDES AND PERCEPTIONS OF LAWYERS REGARDING BUSINESS INCORPORATIONS

Gurprit S. Kindra, *University of Ottawa*

The purpose of the survey was to obtain information on the attitudes and perceptions of lawyers regarding federal incorporation as a legal form of organization and, in turn, their views on the ICCD and its products and services. In this way, the ICCD might be able to better understand the relative strengths and weaknesses of its products and services from the perspective of an «informed» third party. In May 1996, 2000 questionnaires were mailed out to a random sample of a total population of 14,110 law firms across the country. 415 usable responses were received for a response rate of 21 percent. Responses were coded, tabulated, and analyzed during the first week of June, 1996. A total of 24 questions focused on the following key areas: awareness and satisfaction of law firms regarding ICCD products and services, potential areas of improvement, relative advantage and disadvantages of a federal incorporation, pricing perceptions related to the federal incorporation fees and potential for Guaranteed Priority Services (GPS), views regarding provincial incorporation and key sources of professional information. Of those firms that reported any incorporation activity during 1995, nearly 90 percent reported 1 to 5 incorporations per month. Majority of these law firms employed fewer than 11 lawyers. Of the 156 law firms that reported conducting federal incorporations, 119 indicated that such activity represented under 10 percent of their “incorporation business”. Surprisingly, only 86 firms indicated possession of “sufficient experience” to form an opinion regarding the overall quality of ICCD products and services. A vast majority of these firms were in favour of introducing electronic filing, enhancing telephone consultation services, and reducing the processing time for applications and filing. Of these only 63 firms (or 15 percent of the total respondents) indicated familiarity with ICCD documents. Lawyers generally associate two key benefits with federal incorporations: interprovincial operations “flexibility”, and national corporate name protection. A lower incorporation fee and on-line electronic services were ranked equally important in terms of enhancing the attractiveness of federal incorporations. Nearly two-thirds of the respondents do not attach any importance to amendment of the CBCA on a regular basis. Of those that do support such amendments, “directors’ liability” was their main area of concern. Only 24.3 percent of the survey respondents are satisfied with the current incorporation fees of $500. Of the firms that support lower prices, 85 percent prefer levels of $300 or $350. Of all respondents in favour of same day GPS, over 70 percent are willing to pay a premium of $100 over and above the proposed fee of $300 or $350. There is no support for a 2-hour GPS. In short, our survey findings seem to suggest a two-pronged strategy: reduction of incorporation fees to $450 and offering “same day” GPS at this price. Like Ontario, the “one-tiered” price would apply to both regular incorporations as well as those using the on-line electronic option. As discussed above, the advantages of this approach are numerous: enhanced competitiveness with the Provinces (particularly Ontario), preferred option with lawyers, technological long-term viability, value-added “bonanza” in terms of marketing, and more favourable impact on the ICCD’s “bottom-line”.

PAPER 64 – AN INTERNATIONAL VALIDATION AND SCALE PURIFICATION OF THE MARKET ORIENTATION CONCEPT

Wolfgang Hinck, *Louisiana State University in Shreveport*

Reto Felix, *University of Monterrey*

Klaus-Peter Wiedmann, *University of Hanover*

The authors use a sample of Mexican firms to evaluate the validity of the market orientation scale in an international market. Although the scale showed reasonable reliability overall, problems with some of the constructs were identified. The authors suggest that better results could be obtained by developing a market orientation scale for specific regions from scratch, instead of relying on the translation and backtranslation of existing scales developed typically in the United States.